FOR MYSORE STATE

27—95,000 31 10 60.

Dev (1953) Department.

Passed
Ltr.
suppdt

MS SERIES.

G.O. NO. 3116

Dated 4.7.53

[Despatch Abstract.]

Mines — M.L. (Bellary) — Sandur Taluk — Lease granted to the Rajah of Sandur Purchase of equipment from the G.S.M.Co. Notice issued. Papers recorded

No. HZ.10-53.

30957
14-3-53

THE PALACE, SANDUR
March 12. 1953.

Dear Sir,

Subject:- Mines - Mining Lease - Area now held by Messrs. The General Sandur Mining Company in Sandur area - Grant of - To the Ruler of Sandur -

Ref: Your letter No. 140393 J/52-10, dated 26th February 1953 addressed to me, enclosing a copy of Madras Government's Proceedings No. 868, Development, dated 26th February 1953.

With reference to your letter cited above, I am enclosing herewith, for your information, -

(i) a copy of D.O. No.3088/53 A12, dated 7-3-1953 addressed to me by the Collector of Bellary, and,

(ii) a copy of my reply to this letter dated 12th March 1953.

2. In this connection I should like to point out that the execution of the agreement to lease (on my request No.2 cited in your letter under reference) need not and should not wait for the purchase of the General Sandur Mining Company's equipment for transfer to me (request No.3 cited in your letter under reference). Therefore, I request that very early action may be taken on the agreement to lease. I note that the Collector of Bellary has been instructed by you to draft the agreement to lease in consultation with the Government pleader, and trust that the draft agreement is now ready. Every day counts

Yours faithfully,

Y. R. Ghorpade.

Ruler of Sandur.

Sri J.M. Lobo Prabhu, ICS
Secretary to Government,
Development Department,
Madras.

Copy of letter D.O. No. 3088/53 A 12, dated 7-3-53 from the Collector of Bellary to H.H. the Ruler of Sandur.

Mines - M.L. Sandur taluk - area now held on lease by M/S The General Sandur Mining Co. Ltd., grant of to the Ruler of Sandur - Information - Requested.

G.O. Ms. No. 868 Development dated 26-2-53.
Your D.O.No. Nil, dated 28-2-1953.

The Government in para 3 of their order cited above have observed that they can purchase the equipment from the present lessee for subsequent transfer to you, provided that you execute an agreement (before Government exercise that right to purchase the equipment) to the effect that by this arrangement, the Government will not be put-out-of-pocket or exposed to legal or financial implications arising out of the transactions. I therefore request you to inform me whether you are willing and if so instruct yourlegal adviser to appear on your behalf in preparing the draft agreement in question. Please treat this as specially urgent and send your reply so that I can take further action in regard to the drafting of theagreements.

II.

Letter dated 12th March 1953 from H.H. the Ruler of Sandur to the Collector of Bellary.

Subject:- Mines - Mining Lease - Area now held by Messrs. The General Sandur Mining Company Ltd., in Sandur area - Grant of - To the Ruler of Sandur.

Ref:- Your D.O. 3088/53 A12, dated 7-3-53 addressed to me.

I am agreeable to the conditions stated in your letter cited above. I am instructing Mr. D.S. Hanumantha Rao

my Legal Adviser to contact you, on my behalf, in preparing the draft agreement. I am very glad that you realise the urgency of the matter and shall be grateful for expeditious action.

/True copies,

Huzur Secretary to
H. H. The Ruler of Sandur

draw botany
17.3.53

Development (J) Dept

Memo No. 30957 J/53-1 dt 17.3.53

Mines - Mining lease - Bellary - Sandur - Lease granted to the Rajah of Sandur - Execution of agreement - Ref:- G.O No. 868 dev dated 26.2.53 From the Rajah of Sandur No. HZ.10, dated 12.3.53.

pp 59-62 of (R) P.L. Advn

A copy of the letter cited together with its enclosure is forwarded to the Collr. of Bellary. He is requested to forward immediately the draft agreement (to lease) for the approval of the Govt.

J
17.3.53

R
17/3/53

To the Collr. of Bellary (with 2 copies) 17.3.53
Copy of pp 1 to 4 of R.D. 31.3.53

pp 5 to 21 (R) 17.3.53

μ
17.3.53

30957/J/53

Roc.No. 3088/53 A12 Dated 23-3-1953

35858/J/53 26.3.53

From
Sri. D.R.Sundaram, I.A.S.
Collector, Bellary

To
The Secretary to Government,
Development Department, Fort St.George,
Madras.

Sub; - Mines - Mining lease - Bellary - Sandur - lease granted to the Rajah of Sandur - execution of agreement - draft form of agreement - submission - report submitted.

Ref; - Government Memo No. 30957.J/53-1 dated 17-3-53.

The Government Pleader, Bellary has been addressed to send a draft form of agreement. I will submit the same for the approval of the Government as soon as it is received from the Government Pleader, Bellary.

snr.

Collector.

AS NR 15.4.53

26.3.53 27/3/53

30/3/53

9

INVEST WISELY Buy NATIONAL SAVINGS CERTIFICATES

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

FIFTH ASSISTANT SECRETARY TO GOVERNMENT 30 MAR 1953 DEVELOPMENT DEPARTMENT

SECRETARY TO GOVERNMENT 30 MAR 1953 DEVELOPMENT DEPARTMENT

Office Stamp D. I. U. 30/3/53

Class O ML 3 pages

Prefix ..... Code.....

No. 38029 C.

Recd. from B2 14

By.....

Sent at.....M.

To.....

By.....

Handed in at (Office of Origin)	Date	Hour	Minute	Service Instruction	Words
Sanaur	28				37

To Sri J M Lobo Prabhu Secretary to government Development Department fort St George Madras

Recd. here at 16 H. 20 M.

Please refer my letter No H2. 10.53 dated twelfth march

P. Lobo

25

N. B.—The name of the Sender, if telegraphed, should be written after, but separated from, the text.

L.&Co.—PC/177/52 CMB 7. 7. 52—7 lakhs 5170/OP—177—P&T—27. 6. 52

INVEST WISELY
Buy NATIONAL SAVINGS CERTIFICATES

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

Class
Prefix } .....Code..... No. C.

Recd. from.....
By.....

Sent at.....H.....M.
To.....
By.....

Office stamp: MADRAS 28 MAR

(25) Handed in at (Office of Origin)	Date	Hour	Minute	Service Instructions	Words
	11				

To

Recd. here at H. M.

1953 regarding mining lease with
reference to your letter no
B/140393 J/52-10 dated twenty sixth Feby
1953 and madras g
568 dated twenty sixth Feby
1953 paragraph three Stop would

N. B.—The name of the Sender of telegraphed, should be written after, but separated from, the text.

L.&Co.—PC/177/52 CMB 7. 7. 52—7 lakhs 5170/OP—177—P&T—27. 6. 52

INVEST WISELY Buy NATIONAL SAVINGS CERTIFICATES

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

सत्यमेव जयते

Class
Prefix } .....Code..... No. C

Recd. from.....
By.....

Sent at.....H.....M.
To.....
By.....

Office Stamp

Handed in at (Office of Origin)	Date	Hour	Minute	Service Instructions	Words
		11			

To

Recd. here at H. M.

Be grateful if action under
request number two is expedited

Ruler Saeedur

N. B.—The name of the Sender, if telegraphed, should be written after, but separated from, the text.

L&Co.—PC/177/52 CMB 7. 7. 52—7 lakhs 5170/OP—177—P&T—27. 6. 52

14/

30757/53

development (J) O/C.

A.S. Submitted for perusal of the telegram from the Ruler of Sandur at pp 9-13 above.

Attention is invited to the letter from the Addl. J of Bellary at p 7. above. The draft agreement from the Addl. J may be awaited till 10.4.53, when he may be reminded by D.O. if necessary. For orders

J/ 30.3.53

D 31/3/53

Send a reply to the Raja

D.S. 2.4.53

[Rec'd. Seen 4/4/53]

A.S. - wr.t orders of D.S on the margin, a draft letter to the Rajah of Sandur is submitted below for approval.

J/ 4.4.53

D 4/4/53

D.S.

8/6/4

Development (F) Dept

Letter No. 30957 F/53-2 dt 6.4.53

To

The Rajah of Sandur
Palace,
Sandur.

Sir,

Subj:- Mines - Mining Lease (Bellary) - Sandur T[illegible]
Lease granted to the Rajah of Sandur -
Execution of agreement

Ref:- your Letter No. H.2.10-53 dated 12.3.53
and Telgm: dated 28.3.53

I am directed to state that the matter is receiving attention of the Govt.

4/4/53 y.7-

Copy to the Collr Bellary. He is requested to expedite this report.

30960)53

43072 T
10/Feb 53

INVEST WISELY
Buy NATIONAL SAVINGS CERTIFICATES

EIGHTH ASSISTANT SECRETARY TO GOVERNMENT 1953

10 APL 1958

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

0277

Class 10
Prefix ..... Code ..... No. C.

Recd. from ..... BL
By 30

Sent at ..... H ..... M.
To .....
By .....

Office Stamp. 10 APR 8 BL 57

Handed in at (Office of Origin)	Date	Hour.	Minute	Service Instructions.	Words.
Sandur	10	8	35		58

TO

Recd. here at 9/35 H. M.

Shri J M Lobo
~~Prabhu~~ Prabhu Secretary to Govt
Development ~~Department~~
Department Madras

Thanks for your letter number 30957
I/53-2 dated sixth April 1953
regarding execution agreement signing

N B—The name of the Sender, if telegraphed, should be written after, but separated from, the text.

&Co.—PC/177/52 CMB 7-7-52—7 lakhs 5170/OP—177—P&T—27-6-52

49

9/

INVEST WISELY Buy NATIONAL SAVINGS CERTIFICATES

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

सत्यमेव जयते

Class
Prefix } ..... Code.....

No. C.

Recd from..... .....
By..... (writing)

Sent at.....H.....M.
To .....
By.....

Office Stamp.
10 APR 53
O.T.C.

Handed in at (Office of O in)	Date.	Hour.	Minute.	Service Instructions	Words.

TO

Recd. here at H. M.

Please stop would be instituted
if action on the request in
letters of Madras G.O. 469 Development
dated 27th Feb. 1953 Amount
Work is expedited every day Contd

N B—The name of the Sender, if telegraphed, should be written after, but separated from, the text.

...&Co.—PC/177/52 CMB 7-7-52—7 lakhs 5170/OP—1/7—P&T—27-6-2

Under Cover

30957/53

21
21

A.S.:- The telegram from the Rajah of Sandur at pp 17-19 above may be perused.

The Collr. of Bellary may be reminded.

A draft D.O. is submitted for approval.

⊗ Appr. in draft. 10/4/53
10/4/53

10/4/53

DF with f.c.

30957/J/53

23

SECRETARIAT OF H. H. RULER OF SANDUR

The Palace, Sandur,
10th April 1953.

43743 J
14.4.53

Telegram dated 10th April 1953.

Sri J. M. Lobo Prabhu

Secretary to Government

Development Department

M a d r a s.

Thanks for your letter Number 30957 J/53-2 dated sixth April 1953 regarding execution agreement mining lease stop Would be grateful if action under request number two of Madras G.O.P. 869 Development dated twentysixth February 1953 para three is expedited xxx as every day counts.

Ruler Sandur.

/Post copy in confirmation/

Huzur Secretary to
H. H. The Ruler of Sandur

P.S. Action has been taken for the Telgm. This may be added to the main file

BOM 771/53

25

Roc. 3088/53 A12. dated 9-4-1953. Collector's office, Bellary.

From: Sri D.R. Sundaram I.A.S.,
Collector, Bellary.

SECRETARY TO GOVERNMENT
1 APR 1953
DEVELOPMENT DEPARTMENT

To: The Secretary to Government,
Development Department,
Fort St. George, Madras.

4461/53
1543

Sir,

Sub: MINES - Mining Lease - Manganese - Bellary - Sandur taluk - Extent 2½ square miles - Areae held on lease by M/s. The General Sandur Mining Company Ltd., - Grant to the Rajah of Sandur Sanctioned - further report - submitted.

Ref: G.O.Ms.No. 868 Development Department dated 26-2-1953.

In para 3 Request (2) of the G.O. cited above, the Government have observed that it is however possible to enter into an agreement with the Rajah of Sandur to the effect that the lease will take effect from 1-1-1954. I submit herewith a draft agreement prepared for this purpose in consultation with the Government Pleader, Bellary. I request that the draft agreement may kindly be approved and sent to me for further action.

2. Under Request (3) the Government have observed that they are advised to purchase the equipment from the present lessee for subsequent transfer to the Rajah of Sandur, provided that the Rajah executes an agreement (before Government exercise their right to purchase the equipment) to the effect that by this arrangement the Government will not be put out of pocket or exposed to any legal or financial implications arising out of the transactions. In this connection, I submit that the Rajah of Sandur is willing to execute such an agreement. A draft agreement in this regard prepared by his legal Adviser and approved by the Government Pleader, Bellary is enclosed. I request that this agreement may also be approved and sent to me for further action.

3. The Government Pleader, Bellary, who scrutinised the connected records has raised the following points:--

(1) That the Government order is silent regarding Iron ore, though the application of the Rajah of Sandur is both for Manganese and Iron.

(2) that there is no ppovision to indemnify the Government in case the Rajah of Sandur refuses to take on lease later or vice versa.

4. I request the Government to consider the above two points on their merits.

5. The mining lease application of the Rajah of Sandur is enclosed for perusal and return.

FOR COLLECTOR.

VR/10-4.
Encl: Three.

DRAFT AGREEMENT. A

This AGREEMENT entered into this day of April 1953 between the Governor of Madras (hereinafter called "the lessor" which expression shall, where the context so admits, include his successors in office and assigns) of the one part and the Rajah of Sandur H.H. Maharaj Sri Yeswantrao Ghorpade, the lessee, which expression shall, where the context so admits, include his heirs, successors, executors, administrators, legal representatives and assigns hereinafter called the lessee of the other part, witnesseth as follows:-

1. Whereas the Government of Madras in their order Ms. No.868, Development dated 26th February 1953, have sanctioned the grant to the H.H. Shri Maharaj Yeswantrao Ghorpade, Rajah of Sandur lessee of a mining lease over an extent of about 29 sq. miles in Sandur Taluk, Bellary District, more particularly described in the Schedule below now held on lease by the Sandur General Mining Co. Ltd. on the expiry of the present lease, to take effect from 1st January 1954, and the said Government have also agreed to execute an agreement of a mining lease in favour of H.H. Shri Maharaj Yeswantrao Ghorpade, Rajah of Sandur the lessee to take effect from the 1st January 1954 on the terms and conditions set out in the said Order G.O. Ms. No. 868;

2. And whereas the said Government are advised that they cannot give actual demise of the said land to the lessee H.H. Shri Maharaj Yeswantrao Ghorpade, Rajah of Sandur, when the said land is not in their possession, and that it is, however, possible, to enter into an agreement for the execution of such lease;

3. Now, this agreement, therefore, witnesseth that the Government of Madras hereby agrees to execute a mining lease in favour of the lessee said H.H. Shri Maharaj Yeswantrao Ghorpade, Rajah of Sandur, for the area of over an extent of about 29 sq. miles mentioned in the said G.O. Ms. No. 868 Development dated 26th February 1953, on the terms and conditions mentioned in the Mineral Concession Rules, 1949, and the said Order Madras G.O. Ms. No.868 Development dated 26th February 1953, to take effect from the 1st January 1954 and put him in possession of the said area on the 1st January 1954 and the lessee said H.H. Shri Maharaj Yeswantrao Ghorpade Rajah of Sandur hereby agrees to take on lease and work the said mines on the aforesaid terms and conditions. The period of the mining lease shall be for 20 years commencing on the 1st January 1954.

4. My Govt

886

The Schedule

(Here enter particulars)

In Witness Whereof acting for
and on behalf of and by the order and direction of the
Governor of Madras and . . . . . (the lessee) have hereunto
set their hands

signed by the
above named

in the presence of

1

2

Signed by the above named

in the presence of

the Governor of Madras (hereinafter called "the lessor", which expression shall, where the context so admits, include his successors in office and assigns) of the one part,

DRAFT AGREEMENT II

This Agreement entered into this day of April 1953 between H.H. Shri Maharaj Yeshwantrao Ghorpade, Rajah of Sandur, (hereinafter called "the succession lessee" which expression shall, where the context so admits, include his executors, administrators, legal representatives and assigns) of the one part, and the Governor of Madras, the lessor, of the other part, WITNESSETH as follows:-

Whereas the Government of Madras in the Development department have by their Order No.868, Development, dated 26th February 1953, have sanctioned the grant to the lessee Rajah of Sandur of a mining lease over an extent of about 29 square miles in Sandur Taluk, Bellary District, more particularly described in the Schedule below, for a period of 20 years from Shri the General Sandur Mining Company Ltd., on the expiry of the present lease, to take effect from the 1st January 1954, and the said Government have also agreed to execute an agreement of a mining lease in favour of the lessee H.H. Shri Maharaj Yeshwantrao Ghorpade, Rajah of Sandur, to take effect from 1st. January 1954 on the terms and conditions set out in the said Order No.868, Development, dated 26th. February 1953;

And Whereas H.H. Shri Maharaj Yeshwantrao Ghorpade, Rajah of Sandur, the succession lessee having requested the said Government to exercise the right vested in them under clause 4, of Part IX of the lease deed, dated the 24th. January 1930 entered into between the Government of Sandur, and Shri the General Sandur Mining Company Ltd., and the Government of Madras have agreed to exercise such right as lessor, and the lessee H.H. Shri Maharaj Yeshwantrao Ghorpade, Rajah of Sandur, has expressed his willingness to execute an agreement as laid down in the said order No.868, Development, dated 26th. February 1953, IT IS HEREBY AGREED:-

(a) that the Government of Madras do call upon the present lessee, viz., Shri The General Sandur Mining Company Ltd., to furnish to the Government of Madras a list of the said Company's buildings, works, equipment, stores, including rails, locomotives, waggons, rolling stock, ropeways and other equipment, with the net cost thereof as at the date of constructions or purchase by the said General Sandur Mining Company Ltd., to enable H.H. Shri Maharaj Yeshwantrao Ghorpade, Rajah of Sandur, the lessee to signify his assent to purchase all or any of the said buildings, works, equipment

30

stores, including rails, locomotives, wagons, rolling stock, ropeways and other equipment which the lessee desires to purchase

(b) that after the notice, as mentioned above, is issued to the ~~lessee viz., the said Madras Sindur Mining Company Ltd.~~ Company, by the Government of Madras under clause 4 of part IA of the lease deed, dated the 24th. January 1930 ~~mentioned above in respect of the said Madras Sindur Mining Company Ltd.~~ the Government of Madras purchase on behalf of the lessee ~~H.H. Shri. Maharaj Yeshwantrao Ghorpade, Rajah of Sandur,~~ all or any of the said buildings, works, equipment, stores including rails, locomotives, wagons, rolling stock, ropeways, and other equipment as signified by him, for which purpose the ~~said H.H.Shri. Maharaj Yeshwantrao Ghorpade, Rajah of Sandur~~ lessee shall deposit in the Government Treasury at ..... the value of such buildings, works, equipment, stores, including rails, locomotives, wagons, rolling stock, ropeways and other equipment, calculated in the manner provided for in clause 4 of part IA of the lease deed, ~~of the General Sandur Mining Company Ltd., mentioned above~~ dated the 24th. January 1930.

on or before the date to be specified by the lessee in this behalf

It is also agreed by the ~~said H.H. Shri. Maharaj Yeshwantrao Ghorpade Rajah of Sandur,~~ lessee hereby that by this arrangement the Government of Madras will not be put out of pocket or exposed to legal or financial implications arising out of the transaction herein referred to, and that the ~~said H.H. Shri. Maharaj Yeshwantrao Ghorpade, Rajah of Sandur,~~ lessee hereby agrees to indemnify the Government of Madras against any such loss or damage.

(R)

This agreement is subject to the execution by the Government of Madras of an agreement to execute a mining lease in favour of the ~~said H.H. Shri. Maharaj Yeshwantrao Ghorpade, Rajah of Sandur,~~ lessee as stated under "request No.2" of the said order No.863, ~~dated 26th. February 1953,~~

(The Schedule
Here enter particulars)

In witness whereof ..... acting for and on behalf of and by the order and direction of the Governor of Madras and ..... (the lessee) have hereunto set their hands.

Signed by the above-named
.....
in the presence of

1

Signed by the above named
in the presence of

2

P1

Development (D) Dept

Memo No. 30927/D/53-4 dt 21.4.53

Mines Mining lease (Bellary) Sandur Taluk Extt. 29 sq miles Area held on lease by the General Sandur Mining Co. dt - grant to the Rajah of Sandur

Ref:- From the Coll. of Bellary R.O.C. 3088/53 A12 dated 9.4.53.

The Collector of Bellary is requested to verify from the lease deed executed by the General Sandur Mining Co. dt and to report immediately the mineral or minerals for which the company has been holding a lease over the area of 29 sq miles in Sandur Taluk.

Addl

21/4/53

The Collector of Bellary

21/4/53

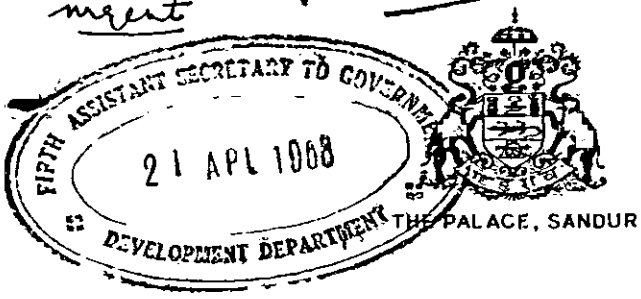
R.D. 2.5.53

Name today

21/4/53

mgent VE 30957 J

Camp:-"Sandur House", 33
Palace Rd., Bangalore,
20th April 1953.



50339 J
21-4-53

Dear Sir,

Subject:- Mines - Mining lease - Manganese (Bellary) Sandur Taluk - Area now held by General Sandur Mining Co.- Grant to the Rajah of Sandur.

I thank you for the copy you sent me of your letter D.O.No.39636- /53-1, dated 2nd April to Mr.Van Damme, Managing Director, Sepulchre Bros., Bombay. In this letter, after making it clear to Mr.Van Damme that you did not say that the highest Government Officials welcome and desire a collaboration between the General Sandur Mining Company and myself, you have stated that all that you said was that "Government wished that the mine should be worked continuously and that in this connection the transfer of the equipment etc. may be facilitated by mutual co-operation." Mr.Van Damme in his letter dated 6th April VD-208/IV-53 (a copy of which he sent me) in reply to your letter of 2nd April, has reiterated this by saying "I have taken good note that the Government desires that the mines should be worked continuously and that the transfer of the buildings and equipment may be facilitated by mutual co-operation."

2. I am writing this letter to you because I am unable to reconcile this with the position that has already been agreed to regarding the transfer of the General Sandur Mining Company equipment etc to me. In this connection please refer to G.O.Ms.No.868 dated 26th February 1953 in which the Government have agreed to exercise their right to purchase the equipment of the

(next page -)

THE PALACE, SANDUR

General Sandur Mining Company on my behalf and transfer it to me. (The correspondence between you and Mr. Van Damme on this subject, I feel, is not consistent with or reconcilable to the agreed position regarding the manner in which the equipment etc. of the General Sandur Mining Company is to be transfered to me). Hence, I wish to make it absolutely clear that any discussions I may have with Van Damme or any other person or concern should not and does not in any way affect the agreed position regarding the transfer of the General Sandur Mining Company's equipment to me. I thought of bringing this to your notice and reiterating the agreed position so that no delays or misunderstanding of any sort should take place in this matter of transfer of General Sandur Mining Company's equipment to me. As you will readily appreciate the time is very short indeed and the notice regarding the purchase of equipment will have to be issued to the General Sandur Mining Company by Government almost immediately and in any case before 30th June 1953, giving the General Sandur Mining Company six months clear notice before the expiry of the term of their lease. As desired by you in your G.O.Ms.No.868 of 26th February 1953 the Collector of Bellary in consultation with the Government Pleader and myself has already prepared and sent up for approval the draft agreement in this connection referred to in the order to enable you to exercise the Government's right to purchase the equipment of the General Sandur Mining Company for me. May I repeat that as the time is very short and the notice has to be issued to the General Sandur Mining Company before 30th June 1953, I would be much obliged if you would kindly expedite matters so that all formalities under the Agreement may be completed in good time to enable you to issue the

(next page-)

requisite notice to the General Sandur Mining Company not later than 31st May 1953.

3. I request you to give me time to meet you at Madras during the course of this week to enable me to discuss and finalise the two agreements to be entered into between Government and myself. This, you will agree, will save much time and correspondence. Kindly reply by return of post and oblige.

Yours faithfully,

Y. R. Ghorpade

Ruler of Sandur.

Sri.J.M. Lobo Prabhu, ICS.,
Secretary to Government,
Development Department,
MADRAS.

38

Ass

Acknowledge letter and say that I should be glad to see him when he will be in addressing - Add that my letter to Mr Van Doorn does not in any way affect the decision already communicated to him - M

(See that agreements are ready before he sees me) N

21
6

By Express Delivery

Development (J) Dept

D.O.No. 30957 J/53-1 Dt. 22.4.53

Sub:- Mines- Mining lease- Manganese (Bellary) - Sandur Taluk - Area now held on lease by the G.S.M.Co. grant to the Rajah of Sandur

Ref:- your letter dated 20.4.53

I am to acknowledge the receipt of your letter cited and to say that I shall be glad to meet you when you will be in Madras. I am to add that my letter to Mr. Van Damme does not in any way affect the decisions officially communicated to you

Yours faithfully,

22/4/53

To

H.H. Sri. Maharaj Yeshwant Rao Ghorpade Rajah of Sandur Palace, Sandur.

Note:-

A.S.

W.r.t orders of Secy at M on p.6. a draft D.O. to the Rajah of Sandur is submitted above for approval.

As regards N on p.6.cf., it is submitted that the draft agreements received from the Collr. of Bellary have been sent to the Legal Dept for scrutiny with this Dept. U.O. 30957 J/53-5 dated 21.4.53. Legal Dept may be reminded on 24/4/53, if the file is not received meanwhile.

22/4/53

22/4/53

Immediate

Draw attorney and deputable to get Pleader's Sptl. Messenger and obtain receipt

Development (J) Dept.

Memo No. 30957/J/53-1 dated 24.4.53

Mines - Mining lease: Grant to the Rajah of Sandur - Execution of agreements - Provision for indemnifying Govt. - Inclusion of.

pp 59-62 of (R)

In G.O.Ms. 868 dated 26.2.53 the Govt. sanctioned the grant of a mining lease to the Rajah of Sandur over an extent of about 29 sq. miles in Sandur Taluk, Bellary Dist. on the expiry of the present lease held by the General Sandur Mining Co. over the area. The lease is to take effect from 1-1-54. W.V.t the orders passed under Regns. (2) and (3) in paragraph 3 of the G.O. No. 868 dated 26.2.53, the Collr. of Bellary has submitted

B.P.C. on pp 60-61 of (R)

Ext 4m

draft agreements for approval of the Govt.
A copy of the G.O together with a copy of
Collectors letter No. I 3085/53-A12 dt 9.4.53 in this connection
enclosed. The Govt are advised that it is
necessary and desirable to insert a provision
in draft I, agreement No. requiring the Rajah to indemnify
the Govt in case he refuses to take the lands on
leases, after the execution of the agreement.
The Govt Pleader is therefore requested to suggest
immediately a suitable provision for being
incorporated in the draft agreement I.
He is requested to send his reply to this refee
23/4/53 by tomorrow (25-4-53) without fail

23/4/53

24/4/53

24

To The Govt Pleader (Civil) Madras
(with encl)
copy pp 59-62 cy (R)
" pp 25-30 cy (R)
Copy to Rajahs
pp Pandithurai Thevar
pp Sethupathi Rajah

pp 59-62 cy (R) & its encls (in original)
pp 25-30 cy
N pp 3 xf

No item 1, 4 p.m. 25.4.53
N 24.4.53

R.D. 30.4.53

Development (J) Dept

Express Telegram No. 30957 J/53-7 dt 25th April 53

Issue at once

J
25-4-53

To
Issued at 3.15 pm
The Collector
Bellary

P.3 above

Reference Memo No. 30957 J/53-4 dated twenty first inst. regarding mineral ~~found~~ mentioned in lease held by (the) General Sandur Mining Co.

Please
AAA. ~~Please~~ Send [your] reply immediately

P.C. to gr

Sd
25.4.53

Desmond

J
25.4.53

25/4/53

Special Urgent 30957/J/53. By Special Messenger. 45

C.S. 32—7,79,806—26-9-50.

Department

From (Name) P.SATYANARAYANA RAJU,

Designation GOVERNMENT PLEADER,

Station HIGH COURT, MADRAS.

Received Registered 22939 2543

To

The Secretary to Government,
Development Department,
Fort St.George, Madras.

Enclosures:

No. 4918, dated 24- 4- 1953.

Sir,

SUB:-MINES - Mining lease - Grant to the Rajah of Sandur - Execution of agreements - Provision for indemnifying Government - Inclusion of -

Refce:-Development Department Memo.No.30957.J/53-6, dated the 24th April 1953.

The following provision may be added to agreement No.I as para 4 thereof:-

"If the lessee fails or refuses to observe any of the terms and conditions of this agreement or fails or refuses to accept the mining lease when granted by the said Government or fails or refuses to join in the execution of lease deed in accordance with this agreement, the lessee shall indemnify the Government of Madras against all losses which the said Government may suffer by reason of the said default or refusal on the part of the lessee".

The enclosures to your letter are returned herewith.

P. Satyanarayana Raju
GOVERNMENT PLEADER.

Express Delivery.

Roc.No. 3088/53 A12.

Collector's Office, Bellary
Dated: 26.4.53.

From

Sri D.R. Sundaram, I.A.S.,
Collector, Bellary

To

The Secretary to Government,
Development Department,
Fort St. George, Madras.

Sir,

Sub:- Mines - Mining Lease - Bellary - Sandur Taluk Extent 29 square miles - Area held on lease by the General Sandur Mining Co. Ltd. -- Grant to the Rajah of Sandur - Certain particulars.

Ref: Government Memo.No. 30957 J/53-4 dated 21.4.53.

--

There are three lease deeds executed by the General Sandur Mining Company Ltd. for the area of 29 square miles held on lease by them. The mineral or minerals for which the lease have been granted are noted below:-

	Area.	Minerals for which the lease has been granted.
(1) State Lease No.1 of 1929	21 sq. miles	Manganese, Manganiferous and Iron ores.
(2) State Lease No.2 of 1929	6 "	-do-
(3) Temple Lease No.1 of 1929	2 "	Manganese ore only.

Pbr.27.4.

For Collector.

49

Dev. (J) Dept.

Memo.No.30957-J/53-10 dated 30.4.53

Sub:- MINES - Mining Lease - Manganese (Bellary Dt.) Sandur taluk - Extent 29 sq. miles - Area held on lease by ~~Sri~~ General Sandur Mining Co.,Ltd. - Grant to the Rajah of Sandur - inclusion of Manganiferous and iron ores - Amendments - Issued.

Ref:- G.O.Ms.868, Dev., dated 26-2-53.
G.O.Ms.1398, Dev.,dated 26-3-53.
From the Collr. of Bellary Roc.No.3088/53 A.12 dated 9-4-53.

The following amendments to G.O.Ms.868,Dev., dated 26-2-53 are issued:

Amendments.

I.

Under request (1) in paragraph 3 of G.O.No.868, Dev., dated 26-2-53, ~~between the words "manganese" and "for"~~ the following sentence shall be substituted for the first sentence. insert "~~Iron ore~~ Manganiferous and iron ores"

II.

In paragraph 4 of the same G.O. ~~dited~~ add the following under the head "Royalty":-

"Iron ore:
(a) Used for extraction of iron:-As.8/-per ton.
(b) Used for other purposes : — Re.1/- per ton."

III.

In paragraph 4 of the same G. O. add the following under the head "Dead rent'

"Iron ore for extraction of iron:- Rs.5/- per acre. per annum.
~~Iron ore for other purposes:-~~ ~~Rs.10/- per acre per annum~~

To the D.I.&C.
" Collr.of Bellary.
" Rajah of Sandur, Palace, Sandur.

S.F.1.
S.Cs.2

The Govt sanction the grant to the Rajah of Sandur of a mining lease for a period of 20 years for manganiferous and iron ores over an extent of about 27 square miles and for manganese ore over an extent of about 2 square miles in Sandur Taluk, Bellary district now held by the General Sandur Mining Company Ltd., Sandur on the expiry of the present lease with the Company

Dev. (J) Dept.

Letter No.30957 J/53-11 dated 30-4-53

To

The Rajah of Sandur,
Bishops Gardens,
Adyar, Madras (with*encl.)

Sir,

Sub:- MINES _Mining Lease -Granted to the Rajah of Sandur -Execution of agreements.

Ref:-G.O.No.868, Dev., dated 26-2-53.

I am directed to state that in pursuance of the orders issued in paragraph 3 of the G.O. cited, the Collr.of Bellary has submitted two draft agreements for approval of the Govt. Copies of these draft agreements as approved by the Govt. are enclosed. I am to request you to take steps to prepare the agreements on requisite stamp paper and get them ready for execution by the Secretary to Govt., Dev. Dept. on behalf of the Governor.

I am to add that the Secy. to Govt. Dev.Dept. will be out of Madras on Saturday (2nd May 1953).

Y.f.

Copy to the Collr. of Bellary (w.e.) w.r. to his letter No.3088/53 A.12 dated 9.4.53.

Copy to the P.I.&C. (w.e.)

* Copies of agreements at (N) and (P)

Immediate

53

Dev. (J) Dept

Memo.No. ~~30957 J/53~~ 12 dated ~~30-4-53~~ 1-5-53

Sub:- Mines - Mining Lease - Grant to the Rajah of Sandur - Agreements between the Governor of Madras and the Rajah of Sandur - Registration of.

Two agreements duly executed ~~are enclosed~~. ~~The agreements have been executed~~ by Sri J.M.Lobo Prabhu, I.C.S., Secy. to Govt., Dev. Dept. on behalf of the Governor of Madras are enclosed. and Under section 88 of the Indian Registration Act, he is exempt from appearing in person at the Registration Office. The District Registrar, Madras- Chingleput, is requested to take necessary immediate action for the registration of the two agreements and return them to Govt. as early as possible.

The agreements are sent through the Rajah of Sandur.

A 30/4/53

JJ 30/4/53 30/4/53

To

The Dt. Registrar,
Madras-Chingleput,
Madras. (with documents)

Copy to the Rajah of Sandur.
Hand over
1-5-53

Draft Copy circulated

[illegible]

DRAFT AGREEMENT.I

This AGREEMENT entered into this 1st day of ~~April~~ May 1953 between the Governor of Madras (hereinafter called "the lessor" which expression shall, where the context so admits, include his successors in office and assigns) of the one part and the Rajah of Sandur, H.H. Maharaj Sri Yeshwantrao Ghorpade, (hereinafter called "the lessee", which expression shall, where the context so admits, include his heirs, executors, administrators, legal representatives and assigns) of the other part, witnesseth as follows:-

Whereas the Government of Madras in the Development Department in their order Ms.No.868, dated the 26th February 1953, as subsequently amended, have sanctioned the grant to the lessee of a mining lease over an extent of about 29 sq. miles in the Sandur Taluk in the Bellary District more particularly described in the Schedule ~~below~~, now held on lease by Sri The General Sandur Mining Company Ltd. on the expiry of the present lease, to take effect from the 1st January 1954, and the said Government have also agreed to execute an agreement of a mining lease in favour of the lessee to take effect from the 1st January 1954 on the terms and conditions set out in the said order No.868;

for mining manganese manganiferous and iron ores in the areas described in Parts I & II and for manganese ore in the areas described in Part III of the Schedule below

A

And whereas the said Government are advised that they cannot give actual demise of the said land to the lessee when the said land is not in their possession, and that it is, however, possible, to enter into an agreement for the execution of such lease;

Now, therefore, this agreement witnesseth that the Government of Madras hereby agree to execute a mining lease in favour of the lessee over an extent of about 29 sq.miles mentioned in the said order No.868 and more particularly described in the Schedule ~~below~~ on the terms and conditions mentioned in the Mineral Concession Rules, 1949, and in the

for mining manganese manganiferous and iron ores in the areas described in Parts I & II and for manganese ore in the areas described in Part III of the Schedule below

p.t.o.

said order No.868 to take effect from the 1st January 1954 and put him in possession of the said area on the 1st January 1954 and the lessee hereby agrees to take on lease and work the said mines on the 1st January 1954 on the aforesaid terms and conditions. The period of the said mining lease shall be for 20 years commencing on the 1st January 1954.

If the lessee fails or refuses to observe any of the terms and conditions of this agreement or fails or refuses to accept the mining lease when granted by the said Government or fails or refuses to join in the execution of lease deed in accordance with this agreement, the lessee shall indemnify the Government of Madras against all losses which the said Government may suffer by reason of the said default or refusal on the part of the lessee.

THE SCHEDULE.

[H E pp 9-12 of (M)]

In Witness whereof ..... acting for and on behalf of and by the order and direction of the Governor of Madras and..... ..... (the lessee) have hereunto set their hands.

contd.....

Signed by the
abovenamed
.....

in the presence of

1.

2.

Signed by the abovenamed

.....

in the presence of

1.

2.

clean copy as amended by the Govt
[Original at pp 29-30 of]

DRAFT AMENDMENT II.

This Agreement entered into this 19th day of ~~April~~ May 1953 between the Governor of Madras (hereinafter called "the lessor", which expression shall, where the context so admits, include his successors in office and assigns) of the one part, and the Rajah of Sandur H.H. Lakshmanraj Sri Yeshwantrao Ghorpade, (hereinafter called "the lessee", which expression shall, where the context so admits include his heirs, executors, administrators, legal representatives and assigns) of the other part, WITNESSETH as follows:-

Whereas the Government of Madras in the Development Department in their order Ms.No.868, dated the 26th February 1953, as subsequently amended have sanctioned the grant to the lessee of a mining lease (for mining manganese, manganiferous and iron ores in the areas described in Parts I and II and for manganese in the areas described in Part III of the Schedule below) over an extent of about 29 square miles in the Sandur Taluk, in the Bellary District, more particularly described in the Schedule ~~below~~ now held on lease by Sri The General Sandur Mining Company Ltd., on the expiry of the present lease, to take effect from the 1st January 1954, and the said Government have also agreed to execute an agreement of a mining lease in favour of the lessee to take effect from the 1st. January 1954 on the terms and conditions set out in the said order No.868;

And Whereas the lessee has requested the said Government to exercise the right vested in them under clause 4, Part IX of the lease deed, dated the 24th January 1930 entered into between the Government of Sandur and Sri The General Sandur Mining Company Ltd., and the Government of Madras have agreed to exercise such right as lessor, and the lessee has expressed his willingness to execute an agreement as laid down in the said order No.868;

IT IS HEREBY AGREED --

(a) that the Government of Madras do call upon the

p.t.o.

present lessee, viz, Sri The General Sandur Mining Company, Ltd. to furnish to the Government of Madras a list of the said Company's buildings, works, equipment, stores, including rails, locomotives, waggons, rolling stock, ropeways and other equipment, with the net cost thereof as at the date of construction or purchase by the said Company, to enable the lessee to signify his assent to purchase all or any of the said buildings, works, equipment stores, including rails, locomotives, waggons, rolling stock, ropeways and other equipment which the lessee desires to purchase.

(b) that after the notice, as mentioned above, is issued to the said Company by the Government of Madras under clause 4 of Part IX of the lease deed, dated the 24th. January 1930 mentioned above the Government of Madras do purchase on behalf of the lessee all or any of the said buildings, works, equipment, stores including rails, locomotives, waggons, rolling stock, ropeways, and other euipment as signified by him, for which purpose the lessee shall on or before the date to be specified by the lessor in this behalf deposit in the Government Treasury at Belle the value of such buildings, works, equipment, stores, including rails, locomotives, waggons, rolling stock, ropeways and other equipment, calculated in the manner provided for in clause 4 of part IX of the lease deed, dated the 24th January 1930 mentioned above.

It is also hereby agreed by the lessee that by this arrangement the Government of Madras will not be put out of pocket or exposed to legal or financial implications arising out of the transaction herein referred to, and that the lessee hereby agrees to indemnify the Government of Madras against any such loss or damage.

This agreement is subject to the execution by the Government of Madras of an agreement to execute a mining lease

contd....

61/ 3 57

in favour of the lessee as stated under "request No.2" of the said order No.868.

THE SCHEDULE

[H.E. pp 9-12 of (M)]

In witness whereof ..... acting for and on behalf of and by the order and direction of the Governor of Madras and ..... (the lessee) have hereunto set their hands.

Signed by the abovenamed

.....

in the presence of

1.

2.

Signed by the abovenamed

.....

In the presence of

1.

2.

Time today

Devt Dept

Memo No. 3095/J/53-13 dt 7-5-53

Mines — Mining lease — grant to the Rajah of Sandur — Agreements between the Governor of Madras and the Rajah of Sandur — Return after registration —

p.s.d. of

Ref:— Govt. Memo No. 3095/J/53-12 dev dated 1-5-53

The attention of the Dt. Registrar Madras-Chingleput is invited to the Memo cited (copy enclosed) and he is requested to state whether the agreements referred to therein have been registered and if so to return them to Govt. Very urgently

To
The Dist. Regr.
Madras-Chingleput.
— — First Line Beach
Madras

R. 12-5-53.

7-5-53

7/5/53

30958 / 1953

65

REGISTRATION DEPARTMENT.

From:-
Sri.M.H.Iqbal, B.A.,B.L.,
Registrar of Assurances,
Madras-Chingleput.

To
The Asst.Secretary to Government,
Development Department,
Fort St.George, Madras.

Dated/8-5-1953

30853-J
11.55

Sir,

Sub:- Mines - Granite - Leases - Agreements between the Governor of Madras and the Rajah of Sandur - Registration of.

Ref:- Memo No.30957 J/52-12, D/1-5-53 and No.30957 J/53-13, Dev., D/7-5-53.

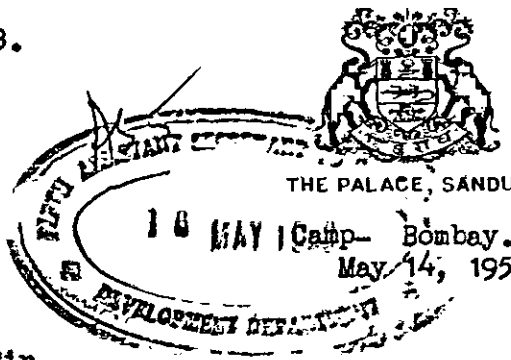
I beg to submit that the two documents referred to in the Memoranda cited, were sent to Government by Registered Post, after registration on 8-5-1953.

(D).

For Registrar.

67

12-10-53.



6341

Dear Sir,

Sub:- MINES - Mining Lease - Grant to the Ruler of Sandur - Execution of Agreements - Implementation of -

Ref:- G.O.№ 868, Development Dept. and letter № 30957.J/53-11 of same Department.

I am grateful to you for all the kind help and assistance you you gave me when I was in Madras in expediting the signing of the two Agreements between the Government of Madras and myself - one, in connection with the grant of the mining lease to me and the other, referring to the taking over of the Company's equipment, stores etc by the Madras Government.

2. With reference to the second Agreement viz: the taking over of the Company's equipment etc, may I request you

(a) to inform The General Sandur Mining Co. Ltd. immediately that the Government of Madras has decided to exercise its right to purchase the buildings, works, equipment, stores etc. of the Company in accordance with Clause 4 Part IX of the Lease, and

(b) to call upon the Company to furnish a complete list of the buildings, works, equipment, stores etc., with the net cost of the same as at the date of construction or purchase by the Company, in order to enable me to signify my assent to purchase all or any of the equipment stores etc., as per agreement.

3. As you are fully aware, according to the Company's lease, the notice RE the purchase of the equipment etc by the Government will have to be issued to the Company not later than 30th June 1953, giving the Company six months clearvnotice before the expiry of their lease.

4. As the time is very short, I would be much obliged if you would kindly expedite matters so that all formalities mentioned above may be completed within the stipulated time in accordance with the terms of the Agreement between the Government of Madras and myself.

Yours faithfully,
Y. R. Ghorpade.
(RULER OF SANDUR)

2168

309573/53

Development (J) Dept.

A8

P.I. alms :-

The proposal referred to at A on P.I. alms has already been taken up and the main file has been sent to Legal on 16.5.53 This may be added to the main file on its return to Secy.

19/5/53

19.5.53

19.5.53

Sri J.M. Lobo Prabhu, ICS,
Secretary to Government,
Development Department,
Government of Madras,
Madras.

69

Development(J)Department

Memo No.30957.J/53- 15 — D. 21.5.53

Sub: Mines - Mining Lease - Grant to the Rajah of Sandur - Agreements - Executed - Action to purchase the equipment etc. from the General Sandur Mining Co. on behalf of the Rajah-Issue of notice. - Instructions:

Ref: From the Collr.of Bellary R.O.C.3088/53, A.12, dated the 9th April 1953:

Two agreements (in original) executed between the Government and the Rajah of Sandur are forwarded to the Collr. of Bellary. The Collector is requested to take necessary further action immediately w.r.t. agreement No.II The following instructions are issued in this connection.

1. The Collector is requested first to call upon the General Sandur Mining Co.Ltd., to furnish him immediately with a list of the Company's buildings, works, equipment, stores, including rails, locomotives, wagons, rolling stock, ropeways, and other equipment with the net cost thereof as at the date of construction or purchase by the Co.

2. On receipt of the particulars, (from the company, the ~~for the~~ Collr. should consult the Rajah of Sandur re: his requirements and, after obtaining his ~~constant~~ consent (in writing) and satisfying himself that the full value of the items required, have been deposited by the Rajah into the Bellary Treasury, issue a notice to the G.S.M.Co., under clause 4 of part IX of the lease deed, signifying Govts. desire to purchase such of those equipments etc. as required by the Rajah.

3. The Collr. is requested to see that the above steps are taken with utmost urgency and notice issued to the Company at any rate before 10-6-53.

A detailed report on the action taken should be submitted to Government not later than 15-6-53.

2. The Collr. is also requested to acknowledge the receipt of the agreements.

To The Collr of Bellary. (with encl.) by R.P. A/D.

Copy to the DI & C.

⊗ Agreements at © & (D) in original.

Copy to the Rajah of Sandur Palace, Sandur

I.S.C

30957/J/53

71

67929 J
27.5.53

Roc. No. 3088/53 A12. dated 25.5.53.

Collector's office, Bellary.
Camp: Kudligi.

From:
Sri D.R. Sundaram I.A.S.,
Collector, Bellary.

To:
The Secretary to Government,
Development Department,
Fort St. George, Madras.

DEVELOPMENT DEPT.

Sir,

Sub: MINES - M.L. Grant to the Rajah of Sandur - Agreements - Executed - Action to purchase the equipment etc., from the General Sandur Mining Co., on behalf of the Rajah - agreements sent - receipt - acknowledged.

p.69 alme

Ref: Government Memorandum No. 30957-J/53-15 dated 21.5.53.

I acknowledge the receipt of the two agreements sent with Government memorandum cited above.

Dev. Dept.
AS: Submitted for perusal. The report from the Collr: w.r.t A on p.69 alme may be awaited till 15.6.53 -

VR: 27/5/53

27/5/53

28/5/53

COLLECTOR.

30957/53

12

Collector's Office, Bellary
Dated: 29.5.53.

Roc.No. 3088/53 A12

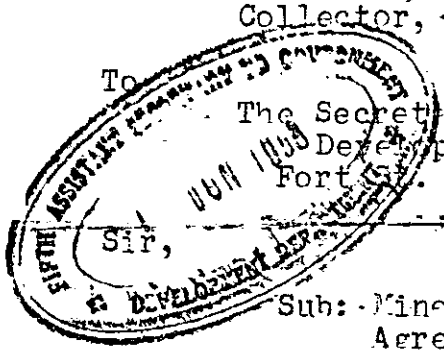
69985 J
1.6.53

From

Sri D.R. Sundaram, I.A.S.,
Collector, Bellary

To

The Secretary to Government,
Development Department,
Fort St. George, Madras.



Sir,

Sub: Mines - M.L. - Grant to the Rajah of Sandur -- Agreements - Executed - Action to purchase the equipment etc. from the General Sandur Mining Company on behalf of the Rajah - Issue of Notice -- Instructions issued -- Report submitted.

Ref: Govt. Memo.No. 30957 J/53-15 dated 21.5.53.

--

As directed in Instruction 1 of the Government Memo. cited above, a notice was issued to the General Sandur Mining Company on 25.5.53 directing them to furnish to me on or before 31.5.53 for the information of the Government of Madras, a list of the Company's buildings, works, equipment, stores including rails, locomotives, waggons, rolling stock, rope ways and other equipment with the net cost thereof as at the date of construction or purchase by the Company. The Company have represented that most part of this assets have been constructed and erected many years ago and that the work involved in collecting their cost will take some time as they have to compile the particulars from their various account books. They have therefore informed me that it is practically impossible to furnish the particulars called for before 31.5.53 and have requested for reasonable time to enable them to furnish the particulars. I feel that the Company's request is reasonable and accordingly recommend that the Company may be given time till 15.6.53 to furnish the particulars so that a final notice may be issued to the Company under clause 4 of Part IX of the lease deed before 25.6.53. I request urgent orders in the matter.

2 In the meanwhile I have informed the Company of my recommendation of time till 15.6.53 and have asked them to compile the figures very urgently so that they may furnish full particulars before 15.6.53 without any extension of time.

Pbr.30.5.

For Collector.
30/5/53

8/2
Ph. issue today
Ph. - 8/2/53

Development (J) Dept

Pl despatch to Collr. of Bellary by Express Delivery

Memo No. 30937/J/53-1 dt. 7.2.53

Mines — Mining Lease — Grant to the Rajah of Sandur — Action to purchase the equipment etc. from the General Sandur Mining Co. — Issue of notice under cl. 4 of Part IA of the lease deed

Ref:- From the Collr. of Bellary Roc. No. 3088/53 A12. dated 29.1.53

In the circumstances reported by the Collr. of Bellary in his letter cited, the Govt. accept his recommendations that the General Sandur Mining Co. Ltd, Sandur may be given time till 15-2-53 to furnish the particulars called for by him and that a final notice may be issued to the Company under cl. 4

pdpt 8/2

p 73 cf

A. in p. 73 cf

16

(after the full value of the items has been deposited by the Rajah in the treasury)

of Part IX of the Loans deed before 25-6-53.

The Colly. is requested to see that a final notice is issued to the Company and their acknowledgment obtained before 25-6-53 positively

A report should be forwarded — so as to reach Govt not later than 27.6.53.

T/ 1.6.53

D/ 1/6/53

1/6

To The Colly. of Bellary

✓ Copy/Date (with enl)

Copy to the Revenue Board, Palace Sandal

N.R. 27.6.53

Spl. Dtpr 1+3 by post. 1.6.53 by Telegram

No.HZ/MNG/9-53.

30957J/52

77

766367
16/6/53

THE PALACE, SANDUR

June 15, 1953.

Dear Mr. Lobo Prabhu,

Subj:- Mines - Sandur - M.L. Bellary District - Lease to the Raja of Sandur - Grant of - Issue of final Notice to G.S.M.Co.,- Re: purchase of assets.

Ref:- Government Memorandum No. 30957-J/53-16 dated 1-6-53, Development Department of the Government of Madras.

I regret having to bother you about the matter of the lease agreed to be given to me as from 1st January 1954 of the area at present held by the General Sandur Mining Co.,Ltd.,in Sandur area. But the delay that is being caused by the General Sandur Mining Company in furnishing particulars of their assets to the Collector of Bellary has caused me great worry. I apprehend that this delay on the part of the company may be intentional with the motive of asking for a higher price later on, since if the notice is not given in time, I may not be technically entitled to buy at the agreed price.

2. I have, therefore, instructed my Huzur Secretary to officially write to the Collector of Bellary. I am enclosing a copy of that letter for your information. I am writing this to request you personally to please look into the matter urgently and direct that the notices be issued immediately, without acceding to any request from the company for any further time to furnish particulars. I am convinced that the company will either not furnish particulars or will not be able to do so within the date prescribed by Government. I, therefore, request Government to pretect my interests.

3. One other point I would like to bring to your kind notice and that is this. My legal advisers Messrs. Mulla & Mulla of Bombay state that the notice to the General Sandur Mining Co., may be a joint notice from the Government as well as from me, as the former lessor. Under the lease deeds dated 24th January 1930 my name is mentioned as the "lessor". In view of my Agreement

THE PALACE, SANDUR

dated 1-4-1949 with the Government of India regarding the administration of Sandur State the Madras Government will be giving the notice as "lessor", but, I am advised that as there is no document of assignment in respect of the lease-deeds in question, it would be advisable that the notice should be joint, as my legal advisers feel an apprehension that a technical objection might be taken by the General Sandur Mining Co., that the notice does not come from the lessor mentioned in the lease, if it comes only from the State Government. A suggestion is, therefore, respectfully made that the notice be given jointly, so as to avoid any technical objection being taken at any time by the company.

4. In the alternative, if Government desire and feel that notice should be sent by them alone, my legal advisers suggest that, if Government have no objection, a separate notice may be issued by me simultaneously confirming the notice issued by the Government.

5. I would like to make it quite clear that the above suggestions are made only with a view to avoid any technical objection on the part of the Company. I have myself no desire to make any claim inconsistent with the terms of my Agreement dated 1-4-1949 with Government regarding the administration of Sandur State.

6. Kindly give this matter your personal attention and advise me, at every early date, as urgent action is necessary to issue the final notice to the company before 30th June 1953.

7. In view of the advice of my solicitors, it strikes me that the General Sandur Mining Company may have in their mind an idea of taking advantage of the notice R.O.C.No.3088/53, A.12, dated 25-5-53 having been given to them under the signature of the Collector of Bellary, which perhaps explains their apparent unwillingness to furnish the particulars called for in that notice. My solicitors definitely feel that the final notice should be in the form normally adopted for authentication of Government orders, so as to put the whole matter beyond question or doubt. It is for you to judge

THE PALACE, SANDUR

what is legally correct. I have made this suggestion for your consideration so as to avoid any possible complications.

Yours sincerely,

Y. R. Ghorpade

Ruler of Sandur.

Sri. J.M. Lobo Prabhu, ICS.,
Secretary to Government, Development Dept.,
Fort St.George,
MADRAS.

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Huzur Office, Palace,
Sandur,
June 15, 1953.

No.HZ/MNG-9/53.

From
The Huzur Secretary to
H.H.The Ruler of Sandur,
Sandur.

To
The Collector of Bellary,
Bellary.

Sir,

Subj:- MINES - Sandur - M.L. Bellary District- Extent about 29 sq. miles - Lease to the Raja of Sandur - Grant of - Particulars of equipment - called for -

Ref: (i) Your Memo to General Sandur Mining Co.Ltd., R.O.C.No.3085/53 A.12, dated 29-5-53.

(ii) Government Memorandum No.30957-J/53-16,dated 1st. June 1953.

(iii) Your Notice to the General Sandur Mining Co.,Ltd., R.C.No.3088/53 A.12 dated 4-6-53.

I am desired by H.H.The Ruler of Sandur to acknowledge the receipt of the communications cited above, and to state as follows.

2. It is hoped that Messrs.The General Sandur Mining Co.,Ltd.,would be able to furnish the particulars called for by you in the Memo and notice cited as (i) and (iii) above by the 15th June 1953. His Highness, however, is extremely doubtful whether the Company will be able to or will furnish such particulars within the time limit prescribed by Government. The Ruler apprehends that there may be intentional delay because under the lease (Part IX, clause 4 of the State leases and Part IX clause 3 of the Temple lease) it is obligatory upon the lessor (now the Government of Madras) to give a notice in writing to the lessee six calendar months at least before the expiration of the term of the lease of his desire to purchase all or any of the buildings and works, including rails, tramways, locomotives, waggons, rolling stock, ropeways, Inclines and other works Plant, machinery and motor vehicles above ground level set up or constructed by the lessee, which the lessee is not bound to deliver up free under clause 17 of Part VII of the State and Temple leases. It might suit the lessee company not to give the particulars, but to prolong the matter till after the end of the month of June 1953, whereafter the company will be able to contend that the notice is ineffective as not having been given in time. If such a contention is taken and upheld, the position will be that the Ruler will

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put in a very awkward position, not having the means to work the mines, and the company will, in such event, be able to hold the Ruler to ransom and ask for a very large price for the buildings works etc.

3. It is, therefore, essential that as stated in Government Memorandum cited as (ii) above, a legal and effective notice be issued to the company under clause 4, of Part IX of the State leases and under clause 3 of Part IX of the Temple lease-deed before 25th June 1953 intimating unequivocally to the General Sandur Mining Company that the lessor (now the Madras Government) by virtue of Agreements between the Ruler of Sandur and Government) is desirous of purchasing the buildings and works, including rails, tramways, locomotives, waggons, rolling stock, ropeways, Inclines and other works Plant, machinery and motor vehicles set up or constructed by the company above ground-level, and which are not to be delivered up under clause 17 of Part VII of the State and Temple lease-deeds.

4. His Highness has taken legal advice, and that is that if such a notice is not given in time as aforesaid it will seriously prejudice and affect the Ruler of Sandur, and further that such notice should not only be forwarded and despatched to the Company through its Agent appointed under clause 14 of Part VII of the State and Temple leases, but, for the sake of greater safety and caution, a duplicate of such notice should also be forwarded by registered Air-mail post, to the Registered office of the Company at London (General Sandur Mining Co., Ltd., 119-125, Finsbury Pavement, London) so as to reach London well before the end of June 1953.

5. Now, as regards the giving of the notice, the Government of Madras have bound themselves under the Agreement dated 1st May 1953, to give the notice for the acquisition of the assets under clause 4 of Part IX of the State leases(clause 3 of Part IX of the Temple lease-deed) to the present lessee (viz., The General Sandur Mining Co.,) on the Ruler of Sandur depositing amount equivalent to the value of the assets to be acquired. The Ruler is prepared to carry out his obligations, but as aforesaid, the Company is delaying to furnish the particulars required by the Collector, and the Ruler has, therefore, directed me to invite your kind attention to the balance-sheet of the company as at 31st December 1940, a copy whereof is appended to this letter. This balance-sheet was furnished by the Company to the Ruler. According to this balance-sheet, the expenditure on buildings, tramways, ropeways, Inclines, and othar works plant, machinery and motor vehicles amounts to £ 17,727/- that is approximately Rs 2,30,451/-. Deducting further depreciation, at the rate of two per cent per year, according to clause 4 of Part IX of the State Leases, (clause 3 of Part IX of the Temple lease -deed) about 10% of the above amount has to be written off up to the year ending 31st December 1953, that is tosay, the value of the

pp90-91 below

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assets would be £ 15,954/- equivalent to approximately Rs 2,07,406/- assuming, without admitting, that all the items comprised in this amount have to be paid for.

6. His Highness the Ruler of Sandur is prepared to deposit a sum of Rs 2,00,000/- with the Government in its treasury in order to avoid further controversy and delay as regards the particulars of the figures to be obtained from the Company. If there is any difference in the values ultimately ascertained, the same will be adjusted, - the Ruler paying any deficiency, or the Ruler being paid back any extra amount that he hight have now paid. It may be pointed out in this connection, that the possibilities are that the Ruler is making extra payments, because the expenditure of £17,727/- would necessarily include expenditure on items which under clause 17 of Part VII of the State and Temple leases, are to be surrendered without any payment by the lessee. The Ruler hopes that it will thus be appreciated that the suggestions he makes is fair and proper, and shows his bonafides and anxiety to carry out his part of the Agreement with the Government of Madras.

7. If the company were to produce its last balance-sheet as submitted to the Income-tax authorities, the Ruler will also be prepared to deposit with the Collector such amount in respect of the buildings, tramways, ropeways, Inclines and other works-plant machinery etc., required to be acquired, as may be shown to be included therein. The Ruler is, however, doubtful whether the company will furnish, within the prescribed time, any such balance-sheets.

8. I have been instructed, therefore, to tender Rs 2,00,000/- and to invite your attention expressly to the urgent necessity of ensuring that notices are issued and served, in the manner aforesaid, on the company in good time, by 25th June 1953, as directed in the Government memorandum cited as (ii) above. The Ruler of Sandur wants to make it very clear that his apprehensions relating to the company being what they are, he would be put to very great loss if the notice is challenged later on as being not legally and properly issued, and within proper time , i.e., before the 30th June 1953 as per the lease-deeds. The Ruler hopes that the Government will not lose any further time in issuing the final notice.

p75-7 below

9. Please acknowledge the receipt of this letter.

Yours faithfully,

(V.Narasimha Rao)
Huzur Secretary to
H. H. The Ruler of Sandur.

15/6/53

Enclo: Balance sheet of the General Sandur Mining Co. as on 31st Dec.1948.

THE GENERAL SANDUR MINING CO., LTD.

DIRECTORS.
Albert D' Heur, Chairman.
A. B. Ryde, Vice-Chairman.

G. Perier
J. J. D. Van Ginderdeuren
C.B. Ryde
G. Stephen, F.C.A.
H. J. Almond

REPORT OF THE DIRECTORS

To be presented to the Thirty-Ninth Annual General Meeting to be held at Balfour House, 119-125, Finsbury Pavement, London, E.C.2, on Friday, the 23rd day of September, 1949, at 11.45 O'clock.

The Directors submit herewith the audited Accounts for the year ended 31st December 1948.

It is regretted that it was not possible to maintain the improvement in sales recorded at the beginning of the year under review. The levying of a heavy export duty by the Indian Government on all grades of manganese ore and the threatened increase in the railway tariff forced the Company to suspend all railings of ore while negotiations were carried on with a view to arriving at a basis which would allow the Company to continue operations. Eventually terms were agreed and shipments resumed but, as a result of the stoppage, in spite of an increased output, the sales for 1948 show a decrease as compared with the previous year, the net profit after providing £8,398 for Sandur Taxation being £12,980

To this must be added the balance brought forward from last year 13,933

making a total of 26,913

From this the Directors recommend the payment of a dividend of 5 per cent less Income Tax, for the year ended 31st December, 1948 which will absord 8,800

leaving a sum to be carried forward of £18,113

The Directors record with deep regret the passing of their esteemed colleague Mr. Nicolas Cito who rendered invaluable service to the Company as its Managing Director over a period of some forty years.

During the year Mr. Paul Gillet retired from the Board of Directors and the vacancy thus caused has been filled by the election of Mr. J.J.D. Van Ginderdeuren. The Shareholders will be asked to confirm his election.

The Directors to retire by rotation are Mr. G. Stephen and Mr. H.J. Almond who, being eligible, offer themselves for re-election.

Mr. A. Gilchrist has indicated his willingness to continue as Auditor.

By Order of the Board,

H.J. Almond,
Secretary.

Balfour House,
119-125, Finsbury Pavement,
London, E.C.2.
31st August, 1949.

15653.

THE GENERAL SANDUR.

Dr. Balance Sheet,

1947 £			
	Capital -		
	Authorised and Issued -		
320,000	320,000 Shares of £1 each fully paid ..		320,000
	Reserves and Surplus -		
	Revenue-		
36,215	Depreciation ..	36,215	
—	Premises Reserve Account ..	1911	
353	Future Taxation ..	—	
13,933	Profit and Loss Account ..	18,113	
50,501			54,519
	Current Liabilities and Provisions -		
9,645	Sundry Creditors -	21,490	
6,255	Taxation - United Kingdom, 1941/42 balance ..	121	
14,151	" - Sandur State, on 1948 profits ..	9,500	
—	Proposed Dividend	8,800	
30,051			39,911
	A.D'Heur.) Directors.		
	A.B.Ryde)		
	H.J.Almond Secretary.		
£400,552			£414,430

Dr. PROFIT AND LOSS ACCOUNT FOR

1947 £			
17,101	To Stock of Ore 1st January, 1948		17,614
	" Mining Charges, Railway Freight & General Expenses -		
67,753	In India	64,039	
4,383	In Europe	4,210	
72,136			68,249
185	" Auditor's Remuneration ..		923
930	" Directors' Fees		3,034
3,404	" Depreciation written off ..		21,378
24,398	" Balance carried down ..		
£118,154			£111,277
10,000	" Provision for Sandur Taxation, on 1948 profits		8,398
—	" Proposed Dividend of 5 per cent. less Income Tax at 9/-		8,800
13,933	" Balance carried to Balance sheet ..		18,113
£23,933			£35,311

Auditor's Report to The Members.

I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of audit. In my opinion proper books of account have been kept by the Company so far as appears from my examination of those books, and proper returns adequate for the purposes of my audit have been received from India.

I have examined the above Balance Sheet and annexed Profit and Loss Account which are in agreement with the books of account and returns.

MINING CO., LIMITED.

31st December, 1948.

1947				
		Fixed Assets –		
		Purchase of Mining Rights and Interests including Expenditure on Development, etc., to 1st July, 1907, as per Purchase Contract,		
	280,000	paid in fully paid-up Shares		280,000
		Buildings, Tramways, Ropeways, Inclines & other Works Plant, Machinery and Motor Vehicles at		
18,861		net book amount 31st December, 1947	19,393	
3,811		Subsequent additions	1,252	
22,672			20,645	
3,279		Less Depreciation since 31st Dec. 1947.	2,918	
	19,393			17,727
	299,393			297,727
		Current Assets –		
17,614		Stock of Ore at Cost	38,371	
5,170		Stores, Instruments, Tools, etc., at cost less amount written of	4,741	
25,290		Debtors and Debit Balances	13,576	
		British Government Securities at Cost		
6,000		(Market Value £ 6,262)	6,000	
47,085		Cash at Bankers and in Hand	54,015	
	101,159			116,703
	£ 400,552			£414,430

Year ended 31st December, 1948. Cr.

1947		
£.		£
100,419	By Sales of Ore	72,785
121	" Interest	121
17,614	" Stock of Ore 31st December, 1948.	38,371
£ 118,154		£111,277
24,398	" Balance brought down	21,378
465	" Balance brought forward from 1947	13,933
£ 23,933		£35,311

In my opinion and to the best of my information and according to the explanations given to me the said Accounts give the information required by the Companies Act, 1948, in the manner so required, and subject to the adequacy of the provisions for Depreciation and Taxation, the Balance Sheet gives a true and fair view of the ~~st~~ state of the Company's affairs as at 31st December, 1948, and the Profit and Loss Account gives a true and fair view of the profit for the year ended on that date.

London, 30th August, 1949.

Angus Gilchrist)
Chartered Accountant) Auditor.

11'92/

THE
GENERAL SANDUR MINING
Co., Limited.

Report of the Directors.

Notice is hereby given that the Thirty-Ninth Annual General Meeting of the Company will be held at Balfour House, 119-125, Finsbury Pavement, London, E.C.2, on Friday the 23rd day of September, 1949, at 11.45 O'Clock in the Forenoon; to receive the Report of the Directors, to elect Directors, and for the ordinary business.

Any member entitled to attend and vote may appoint a proxy to attend and vote in his stead. A proxy so appointed need not be a Member of the Company.

By order of the Board,
H.J. Almond,
Secretary.

Balfour House,
119-125, Finsbury Pavement,
London, E.C.2.
31st August 1949.

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Development(J)Department

MOST IMMEDIATE.

By Express Dely.

D.O.No.30957-J/53- 17 — D/ 17-6-53

Dear Sundaram

Sub: Mines - Mining Lease - (Bellary) - Sandur Taluk - Lease granted to the Rajah of Sandur - Purchase of equipment etc. from the G.S.M.Co.

Ref: From the Rajah of Sandur No.H2/MNG/9-53, dated 15-5-53:

I am to enclose a copy of the letter cited for your immediate remarks. I am to invite attention, in this connection, to Govt. Memo No.30957.J/53-16,D/1-6-53 and to enquire whether the G.S.M.Co has since furnished the particulars.

The matter may be treated as specially urgent and your reply submitted to Govt. before 20-6-53.

Y.S.

Sri D.R.Sundaram, I.A.S.,
Collr. of Bellary. (with encl.)*

Copy to the D.I.C.(With encl.)*

Copy of pp.77-87.c.f.*

R.D. 20.6.53.

76815 J
17.6.53

From
Sri.D.R.Sundaram, I.A.S.,
District Collector,
Bellary.

To
The Secretary to Government,
Development Department,
Madras.

ASSISTANT SECRETARY TO GOVERNMENT
17 JUN 1953
Development Department

Rc.3088/53.A.12. Dated 14th June 1953.

Sir,

SUB: MINES - Mining Lease - Grant to the Ryot of Sandur - Permission to purchase the equipment etc., from the General Sandur Mining Company - Report.

REF: Government Memo.No.30957.J/53.16.Dated 1-6-1953.

In this office Rc.3088/53.A.12. Dated 4-6-53 the General Sandur Mining Company was informed that the particulars should be furnished so as to reach this office not later than 15th June 1953. The Company has represented that in spite of their best efforts in the matter, it may not be possible for them to furnish the particulars earlier than 30th June 1953. The Tahsildar, Sandur is also of opinion that it may not be possible for the company to furnish the details before 15th June 1953. The difficulty appears to be with regard to the cost of the several items, which has to be arrived at after consulting old records. The Tahsildar suggests that the company may be asked to waive the time limit of six months provided in clause 4 of Part IX of the lease deed, after obtaining legal opinion and that time till 30-6-53 may be allowed to the Company. The suggestion is not feasible as complications may set in if time till 30-6-53 is allowed. In the above circumstances, it may be better to allow the company to note the approximate net cost of buildings or works wherever unavoidable and to insist on the list being furnished on or before 15th June 1953. As 2 percent per annum towards depreciation has to be allowed according to clause 4 of Part IX of the lease deed, the noting of approximate cost instead of the actual cost may not affect the position. I have accordingly instructed the General Sandur Mining Company, by telegram, that approximate net cost may be noted if unavoidable and that the list should be furnished on or before 15th June 1953. The Huzur Secretary to the Rajah of Sandur is kept informed of this and asked to remit before 17th June 1953, the full value of such of the items as are required by the Rajah, after obtaining the Rajah's consent in writing. The Tahsildar, Sandur is being asked to obtain the list from the company on or before 15-6-53 and to see that the value is remitted by the Rajah into the Bellary Treasury before 17th June 1953 after obtaining the written consent of the Rajah. Further action to issue a notice under clause 4 of Part IX of the Lease Deed will be taken on receipt of the particulars. I request that my action in allowing the Company to note approximate cost of the items wherever necessary may be approved.

for Collector.

ks.15/6.

Copy to the Tahsildar, Sandur and the Huzur Secretary to the Ruler of Sandur for information and necessary action. The cost should be remitted in the Bellary Treasury.

77404 J
18.6.53

R.C. No. 3088/53 A12. Collector's Office, Bellary.
Dated. 16.6.53.

From

Sri. D.R.Sundaram I.A.S.,
Collector, Bellary.

To

The Secretary to Government,
Development Department,
Madras.

Sir,

Sub:- Mines- Mining lease- Grant to the Rajah of Sandur- Agreement- Action to purchase the equipment from the General Sandur Mining Company- Report.

Ref:- Government Memo. No. 30957 J/53-16 dated. 1.6.53.
This office R.C.3088/53 dated. 14.6.53.

The General Sandur Mining Company, Sandur was asked in this office R.C. 3088/53 A12 dated. 25.5.53 to furnish a list of the company's buildings, works, equpment, stores et. noting the net cost thereof as at the date of construction or purchase by the Company, produced before me, todny, ie. (15.6.53) in person a list, a copy of which is enclosed. The list does not appear to be exhaustive and the net cost as at the date of construction or purchase has not been furnished. The company has noted only the approximate cost thereof as at 31.12.53. The defects were pointed out to the Manager. But he expressed his inability to furnish an exhaustive list or to quote the net cost as required. I wanted him to put it in writing. He has not so far done, so, and I do not expect such a report.

2. I have received to day a copy of the D.O. letter addressed to you by the Rajah. He apprehends that the General Sandur Mining Company may unnecessarily and intentionally delay the furnishing of the list of equipment called for and that he may be put to lot of inconvenience and loss if notice is not served in time. The Rajah says that he has been advised by his solicitors at Bombay that a notice regarding the purchase of certain equipment should be issued jointly by the State Government and himself (Rajah). This does not appear to be necessary. However his representation may be considered by the Government.

3. The Huzur Secretary to the Ruler of Sandur has also addressed me to-day in the matter. A copy of his letter is enclosed. The Secretary has suggested that a notice under clause 4 of Part IX of the Lease deed should be sent by registered Air Mail post to the Registered office of the Company at London. I am not sure whether it is necessary to do so. I request instructions in the matter. He has also enclosed a Balance Sheet of the Company as at 31.12.53 according to which the assets of the company would be Rs. 230451 and deducting the depreciation at 2% per annum the approximate assets would be Rs. 207406/-. The Secretary says that the Rajah is prepared to remit this amount viz. 2,00,000/- (in round figures). But the ~~figur~~ Company's figures are Rs. 876000.

4. From the talk I had with the Manager of the General Sandur Mining Company, I do not expect any better information from the Company. I am however issuing an express telegram to the

.2.

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company to furnish the list as required. I am not sure whether the balance sheet as on 31.12.48 can be acted upon now. In these circumstances, I am asking the Huzur Secretary, by telegram, to refer to the list now furnished by the General Sandur Mining Company and see to the remittance on or before. 17.6.53 of the cost as quoted by the company in Bellary Treasury after filing the written consent of the Rajah in this regard. I shall issue a notice under clause 4 of Part IX of the State lease deed and clause 3 of the Temple Lease Deed after the cost is remitted. I request that my action in asking the Rajah to remit the cost quoted by the Company may be approved.

5. I have my own doubts whether the Rajah would remit such a huge amount and that too before 17th or 18th inst I request to be informed whether a notice can be issued to the company even if a portion of the cost is remitted.

6. If it is permissible, the difference in the amounts could be adjusted later.

For Collector.

sv. 17.6. 17/6

Copy to the Tahsildar, Sandur for information and necessary action.

Copy of CBY/10/53 dated 15th June 1953 from the General Sandur Mining Company, Limited, Sandur.

Sub:- Mines- M.L. Bellary District Sandur State- Manganese ore- 29 Sq. miles- Lease granted to G.S.M. Company Limited- Sandur- Particulars of equipment.

pp.75-76 above Ref:- Government Memo. No. 30957 J/53- 16 dated. 1.6.53.
Your R.C. No. 3088/53 A12 dated 4th June 1953.

We beg to acknowledge receipt of your Telegram of the 13th instant reading as follows:

PLEASE FURNISH LIST BEFORE FIFTEENTH JUNE EXTENSION OF TIME REFUSED APPROXIMATE NET COST MAY BE NOTED IF AVAILABLE- COLLECTOR".

2 We point out that time granted to us to make the estimations has been far below what we should have needed to draw exact estimations and therefore they are subject to adjustment.

3 Taking this into consideration, please find hereunder a statement of Assets of our Company with their approximate value as at 31st December 1953:-

	Rs. As. P	
1. Two Aerial Ropeways- as per statement as in our letter of the 11th June 1953.	226,152.3.8	A
2. Tram lines with Tracks, Sleepers, Fish-plates Bolts and nuts and clipers etc. approximately Estimation with 2 % depreciation per annum.	101,000.0.0	
3. Four "Simplex" Diesel Locos 20/28 H.P with Tropical pump 2-½ ton Model, for 2 feet guage Estimation after @ 2% depreciation per annum.	43,000.0.0	
	370,152.3.8	
4. One steal Locomotive 30 HP 4 Wheeler plus Two locomotives to repair- Estimation after 2% depreciation per annum.	21000.0.0	
5. Points and Crossings connecting with track and Turn- tables with depreciation 2 % per annum.	10,000.0.0	
6. 184 Tramway wagons 18 C.Ft. and 27 C.Ft with depreciation 2% per annum.	70,000.0.0	
7. Three pumping sets comprising of Hornby Ruston Engines, Pipe column with fitting and Reservior steel Tanks- after depreciation of 2% per annum.	25,000.0.0	
8. Buildings- Comprising of Managers Bungalow Engineer's Bungalow, Assayers Bungalow, staff quarters, stores Labour camps etc. Estimation after depreciation of 2% per annum.	125,000.0.0	
	621,152.3.8	

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9.	Furniture, Crockery, Linen etc. actual estimation.	21,152-3-8 20,000.0.0
10.	Scientific Instruments. Actual estimation.	3,000.0.0
11.	Labouratory Equipment- Actual estimation	2,000.0.0
12.	General Stores. Actual Estimation. ***	83,000.0.0 X
13.	Forest Growth amount paid for the occupation of Mining and dwelling (2561 acres)	11,910.0.0
14.	Explosives on 31st May 1953 ***	8,600.0.0 X
15.	Road construction at cost price.	27,482.0.0
16.	Spares General, Such as wheels wire ropes etc. Estimation actual ***.	10,000.0.0 X
17.	Work shop machinery- Estimation actual	25,000.0.0
18.	Motor Vehicles- after depreciation 2% per annum.	57,800.0.0
19.	Miscellaneous articles on mines estimation. ***	6,000.0.0 X
		875,944.3.8

Stores, Explosives and spares will be required by us for our working till the end of the year.

/true copy/

83,000 — 0 — 0
8,600 — 0 — 0
10,000 — 0 — 0
6,000 — 0 — 0
107,600 — 0 — 0

8,75,944-3-8
1,07,600 — 0
7,68,344-3-8

Same as pp 83-87 above

Copy of No. HZ/MNG 9/53 dated. 15th June 1953 from the Huzur Secretary to His Highness the Ruler of Sandur, Sandur.

Sub:- Mines- Sandur- M.L. Bellary District- Extent about 29sq miles- Lease to the Raja of Sandur- Grant of- particulars of equipment- called for.

Ref:- i. Your Memo. to General Sandur Mining Company Limited R.O.C. No. 3085/53 A12 dated. 29.5.53. — ne

ii. Government Memorandum No. 30957-J/53-16 dated. 1st June 1953. — pp 75-76 above

iii. Your Notice to the General Sandur Mining Company Limited., R.O.C. No. 3088/53 A12 dated. 4.6.53. — ne

I am desired by H.H. The Ruler of Sandur to acknowledge the receipt of the communications cited above, and to state as follows.

2. It is hoped that Messrs. The General Sandur Mining Co., Ltd., would be able to furnish the particulars called for by you in the Memo and notice cited as (i) and (iii) above by the 15th June 1953. His Highness, however, is extremely doubtful whether the Company will be able to or will furnish such particulars within the time limit prescribed by Government. The Ruler apprehends that there may be intentional delay because under the lease (Part' IXm clause 4 of the State leases and part IX clause 3 of the Temple lease) it is obligatory upon the lessor (not the Government of Madras) to give a notice in writing ~~the~~ to the lessee six calendar months atleast before the expiration of the term of the lease, of his desire to purchase all or any of the buildings and works, including rails, tramways, locomotives, waggons, rolling stock, ropeways, Inclines and other works Plant, machinery and motor vehicles above ground level set up or constructed by the lessee, which the lessee is not bound to deliver up free under clause 17 of part VII of the State and Temple leases. It might suit the lessee company not to give the particulars, but the prolong the matter till after the end of the month of June 1953, whereafter the company will be able to contend that notice is ineffectife as not having been given in time. If such a contention is taken and upheld, the position will be that the Ruler will be put in a very awkward position, not having the means to work the mines, and the company will, in such even, be able to hold the Ruler to ransom and ask for a very large price for the buildings works etc.

3. It is, therefore, essential that as stated in Government Memorandum cited as (ii) above, a legal and effective notice be issued to the company under clause 4, of part IX of the State lesses and under clause 3 of Part IX of the Temple lease- deed before 25th June 1953 intimating unequivocally to the General Sandur Mining Company that the lessor (now the Madras Government by virture of Agreements between the Ruler of Sandur and Government) is desirous of purchasing the buildings and works, including rails, tramways, locomotives, waggons rolling stock ropeways, Inclines and other works Plant, machinery and motor vehicles set up or constructed by the company above groundlevel, and which are not to be delivered up under clause 17 of Part VII of the State and Temple lease- deeds.

—2.—

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4. His Highness has taken legal advice, and that is that if such a notice is not given in time as aforesaid it will seriously prejudice and effect the Ruler of Sandur, and further that such notice should not only be forwarded and despatched to the company through its Agent appointed under clause 14 of the Part VII of the State and Temple leases, but, for the sake of greater safety and caution, a duplicate of such notice should also be forwarded by registered Air- mail post, to the Registered office of the company at London (General Sandur Mining Co., Ltd., 119-225 Finsbury Pavement, London) so as to reach London well before the end of June 1953.

5. Now, as regards the giving of the notice, the Government of Madras have bound themselves under the agreement dated. 1st May 1953, to give the notice for acquisition of the assets under clause 4 of part IX of the State leases (clause 3 of part IX of the Temple lease deed) to the present lessee (viz The General Sandur Mining Company) on the Ruler of Sandur depositing amount equalent to the value of the assets to be acquired. The Ruler is prepared to carry out his obligations, but as aforesaid, the company is delaying to furnish the particulars required by the Collector, and the Ruler has, therefore, directed me to invite your kind attention to the balance sheet of the company as at 31st December 1948, a copy whereof is appended to the letter. This balance- sheet was furnished by the Company to the Ruler. According to this balance- sheet, the expenditure on buildings, tramways, ropeways, Inclines, and other works plant, machinery and motor vehicles amounts to £ 17,727/- that is approximately Rs. 2,30,451/-. Deducting further depreciation, at the rate of two per cent per year, according to clause 4 of part IX of the State leases (Clause 3 of part IX of the Temple lease-deed) about 10% of the above amount has to be written off up to the year ending 31st December 1953, that is tosay, the value of the assets would be £ 15954/- equivalent to approximately Rs. 2,07,406/- assuming, without admitting, that all the items comprised in this amount have to be paid for.

6. His Highness the Ruler of Sandur is prepared to deposit a sum of Rs, 2,00,000/- with the Government in its treausry in order to avoid further controversy and delay as regards the particulars of the figures to be obtained from the Company. If there is any difference in the value ultimately ascertained, the same will be adjusted- the Ruler paying any deficiency, or the Ruler being paid back any extra amount that he might have now paid. It may be pointed out in this connection that the possibilities are that the Ruler is making extra payments, because the expenditure of £ 17,727/- would necessarily include expenditures on items which under clause 17 of part VII of the State and Temple leases, are to be surrendered without any payment by the leases. The Ruler hopes that it will thus be appreciated that the suggestion he makes is fair and proper, and shows his bonafides and anxiety to carry out his part of the agreement with the Government of Madras.

7. If the company were to produce its last balance-sheet as submitted to the Income- Tax authorities, the Ruler will also be prepared to deposit with the Collector such amount in respect of the buildings, tramways, ropeways, Inclines and other works- plant machinery etc., required to be acquired, as may be shown to be included therein. The Ruler is, however, doubtful whether the company will furnish, within the prescribed time, any such balance- sheets.

8. I have been instructed, therefore, to tender Rs, 2,00,000/- and to invite your attention expressly to the urgent necessity of ensuring that notices are issued and served, in the manner aforesaid, on the company in good time by 25th June 1953 as directed in the Government memorandum cited as (ii) above. The Ruler of Sandur wants to make it very clear that his apprehensions relating to the company being that they are, he would be put to very great loss if the notice is challenged later on as being not legally and properly issued, and within proper time. ie., before the 30th June 1953 as per the lease- deeds. The Ruler hopes that the Government will not lose any further time in issuing the final notice.

Please acknowledge the receipt of this letter.

/true copy/

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By Express Delivery.

77921 J
19.6.53

R.C. No. 3088/53 A12.

Collector's Office, Bellary.
Dated. 18.6.53.

From

Sri. D.R.Sundaram I.A.S.,
Collector, Bellary.

The Secretary to Government,
Development Department,
Madras.

Sir,

Sub:- Mines- Mining Lease- (Bellary) Sandur Taluk- 29 Sq. miles held by the G.S.M. Company- To be leased to the Rajah - Notice to purchase equipment- Report.

Ref:- Govt. Memo. No. 30957 J/53-16 dated. 1.6.53.
My R.C. 3088/53 dated. 16.6.53.

...

In continuation of my report cited above, I submit that the General Sandur Mining Company has since furnished a list of seven items of buildings and works quoting the approximate cost thereof as at the date of constructions or purchase and also the net cost after deducting 2 % (per annum) towards depreciation. There is not much difference between the prices now furnished by the Company and those quoted in their previous list dated. 15.6.53:

2. The Company has stated that clause 4 under Part IX of the Lease Deed refers only to buildings and works above ground level and that the company are at liberty to dispose of all moveable properties at prices to be agreed upon later on. The Company appears to mean that according to the said clause, it is bound to sell the seven items detailed in their latest list and the two rope ways shown as items 1 and 2 in their list dated. 15.6.53 and not other articles. A copy of the Company's letter No. CBY 11/53 dated. 17.6.53 is enclosed.

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pp 99-100 above

3. The Huzur Secretary to the Ruler has taken the list of buildings and works furnished by the company on 15th . He said he would himself go to Bombay to obtain the consent of the Rajah to purchase the buildings and works required by the Rajah. I am afraid the absence of the Rajah at Bombay may cause some delay in the matter. I have furnished the Huzur Secretary with the latest list dated. 17.6.53 and explained to him the intention of the company regarding the disposal of their buildings and works as well as the reason why the company are not prepared to sell their buildings and works at the costs furnished by them in the auditor's report.

pp 107-110 below

sv. 18.6.53

For Collector.

Copy of Letter No.CBY/11/53 Dated 17th June 1953 from the G.S.M., Company, Limited. Sandur.

Ref: Mines - M.L.- Bellary District - Sandur State - Managanese ore - 29 sq. miles - Lease granted to G.S.M. Co., Ltd., Sandur - particulars of equipment.

Referring to our visit of 15-6-53 to you, we beg to give you here-under the approximate original cost price as at date of construction with the net cost on the 31-12-53 after 2% depreciation per annum, for the following buildings and works

(1) TRAMLINES WITH TRACK SLEEPERS, FISH PLATES, BOLTS & NUTS CLIPPERS- DEPRECIATION 2 %.

1926	6,922		
	56,565		
	63,487	1926	1,269
1927	1,196		
	64,683	1927	1,293
1928	18,068		
	82,751	1928	1.655
1929	49,298		
	132,049	1929	2640 ~~1,655~~
1930	7,393		
	139,442	1930	2,788
1931	115	1931-1932	
	139,557	2 x 2,790.	5,580
1933	219		
	139,776	1933	2795
1934	xx 112	1934-1936	
	139,888	3 x 2797	8,391
1937	37,105	1937-1938	
	176,993	2 x 3539	7,078
1939	1,574		
	178,567	1939	3,570
1940	397	1940-1953	
	178,964	14 x 3578	50,092
			87,151

Original cost. ... 178,964
Depreciation 2%. 87,151

Net cost on 31.12.53 91,813

(2) POINTS AND CROSSINGS CONNECTING WITH TRACKS AND TURNTABLES.

~~xxx~~	~~xxxxx~~	~~xxx~~	
1926	17,411	1926- 27 2 x 348	696
1928	2,658		
	20,069	1928	400
1929	1,478	1929 - 1937	
	21,547	9 x 430	3,870
1938	906		
	22,453	1938-1953	7,184
		16 x 448	12,150

Original cost ...	22,453
Depreciation 2%.	12,150
Net cost on 31-12-53.	10,308

(3) THREE PUMPING COMPRISING OF HORNBY RUSTON ENGINES, PIPE COLUMN WITH FITTING AND RESERVOIR STEEL TANKS.

			Depreciation 2%.
1925	56		
1926	7,507		
	7,563	1926	151
1927	91	1927 - 1928	
	7,654	2 x 153	306
1929	7,067		
	14,721	1929	394
1930	8,646		
	23,367	1930	467
1931	1,639	1931- 1932	
	25,006	2 x 500	1,000
1933	42		
	25,048	1933	501
1934	1,985	1934	541
	27,033		
1935	168	1935 - 1938	
	27,201	4 x 544	2,176
1939	250	1939 - 1947	
	27,451	9 x 549	4,941
1948	121	1948 - 1949	
	27,572	2 x 551	1,102
1950	11,573	1950 - 1953	
	39,145	4 x 783	3,132
			14,711

Original cost ...	39,145
Depreciation 2 %.	14,711
Net cost on 31-12-53.	24,434

(4) INCLINES (BRAKE GEARS.)

			Depreciation 2 %.
1926	7,668	26	153
1927	8,054		
	15,722	27	314
1928	2,073		
	17,795	28	355
1929	1,696	1929-1931	
	19,491	3 x 389	167
1932	131	1932-1936	
	19,622	5 x 392	1,960
1937	4,100	37	474
	23,722		
1938	248	38-1953,	
	23,970	16 x 479	7,664
			12,087

Original cost	23,970
Depreciation.	12,087
Net cost on 31-12-53.	11,883

P.T.O

(5) BUILDINGS COMPRISING OF MANAGERS BUNGALOW, ENGINEERS BUNGALOW ASSAYER BUNGALOW, STAFF QUARTERS, STORES, LABOUR CAMPS.

			Depreciation 2 %.
1925	2,339	31-12-1926	47
1926	68,073		
	70,412	26	1,408
1927	9,421		
	79,833	27	1,596
1928	5,474		
	85,307	28	1,706
1929	22,594		
	107,901	29	2,158
1930	14,864		
	122,765	30	2,455
1931	11,836		
	134,601	31	2,692
1932	461	1932 - 1935	
	135,062	4 x 2,700	10,800
1936	1,140	36	2,724
	136,202		
1937	64	1937 x 1941	
	136,266	5 x 2725	13,625
1942	31		
	136.297		2,725
		1943-1950	
		8 x 2725	21,800
1951	25,568		
	161,865		
1952	39,309	1952 - 1953	
	201,174	2 x 4022	8,044
			75,071

Original cost	201,174
Depreciation 2 %.	75,071
	126,157
Net cost on 31-12-1953.	

(6) ROAD CONSTRUCTION:

			DEPRECIATION 2%
1926	20,080	1926	400.
1927	1,657	1927=1928.	
	21,737-	2 x 435.	870-
1929-	5,744-	1929 - 1953-	
	27,481-	25 x 548-	13,700.
			14,970.

Original cost.	27,481.
Depreciation 2%.	14,970
Net cost on 31.12.53.	12,511-

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(7) FOREST GROWT...			Depreciation 2%
1925	3156	1925.	63-
	10	1926 - 1928-	
1926-	3164	3 x 63	189.
	2649		
1929	5813	1929	116.
1930	1274		
	7087	1930.	140.
1931	50		
	7137	1931	142
1932.	85		
	7222	1932.	144.
1933.	624		
	7846-	1933.	157.
1934.	20		
	7866	1934.	157.
1935.	593.		
	8459.	1935.	168.
1936.	1632.		
	10091	1936.	200.
1937.	75		
	10166.	1937.	202.
1938.	562.		
	10728.	1938.	214.
1939.	1191.	1939 - 1953.	
	11919.	14 x 238.	3332
			5224.

Original cost.	11,919.
Depreciation 2%	5,224.
Net cost on 31.12.1953.	6,695

(Contd on the next page)

~~True copy~~

Abstract -

Item (1) on p 107 abstract	91,813-0-0	
Item (2) on pp 107-108 abstract	10,308-0-0	
Item (3) on p 108 abstract	24,434-0-0	
Item (4) on p. 108 abstract	11,883-0-0	
Item (5) on p 109 abstract	126,157-0-0	
Item (6) on p 109 abstract	12,511-0-0	
Item (7) abstract	6,695-0-0	
Total	2,83,801-0-0	2,83,801-0-0
	A on p 99 abstract	2,26,152-3-8
		5,09,953-3-8

You have already received the statement regarding the Ropeways in our letter of the 11th June 1953.

As we have told in our kind meeting, discrimination must be made between the buildings and works, and the other assets.

Since the clause 4 of Part IX stipulates:

PROVISO FOR THE LESSOR TO PURCHASE.

"4. If the end or sooner determination of the said term the lessor shall be desirous of purchasing all or any of the buildings or works above ground level set up or constructed by the lessee which the lessee is not Bound to deliver up under clause 17 of Part VII hereof and shall signify such his desire by notice in writing to the lessee six calander months at least before the expiration of the said term the lessee shall sell to the lessor all or any of the said buildings and works at a price which shall be fixed or ascertained by taking the net cost of such buildings or works as at date of construction and deducting therefrom for depreciation a sum equivalent to 2 per cent per annum on the net original cost".

A The clause in question refers only to buildings and works above ground level, that is to say, all immovable properties over the ground level. It follows that we may dispose of all movable properties, the price for these latter having to be eventually agreed upon.

2 May we point out that you have made yourselves a distinction between buildings and works, and the other assets since in your notice No.3088/53 A.12 of the 25th May 1953 you say: "The Government of Madras State have directed me to call upon the said General Sandur Mining Company, Deogiri, Sandur Taluk, Bellary District to furnish to me on or before 31-5-53 for the information of the Government of Madras, a list of the said company's BUILDING, WORKS, Equipment, stores including rails, locomotives, wagons, rolling stock, ropeways and other equipment".

3 You required also to give you the list of equipment stores etc., with the net cost thereof as on the date of construction or purchase by our Company. It is not by bad will that we do not supply you with purchases enquiries, but only by the practical impossibility to give them on account of the short time granted to do this work.

The Inventory on the 31-12-52 comprises for instance the General Stores lying in the store rooms.

Are included in these stores:

Joinings and fittings (about 170 different articles)
Pipes and fittings (about 60 different articles)
Steel, Mild-steel and irons (about ~~145~~ different articles)
Tools General (about 160 different articles)
Various (about 125 different articles).
Buildings materials (about 40 different articles)
Fuel (8 different articles)
Spares General (about 115 different articles)
Say about 780 differnnt articles.

For each article we should find out first the date of purchase, then the invoices referred to. The difficulty is doubled when it is considered that we have two stores-rooms, one at Kammatharuvu and the other at Sunderam bencha

(p.t.o.)

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4 This being for the General stores only. If we add to them all the other particulars, which are not buildings or works, could you fairly require us to make the statements asked for within the time granted to us. You told to take as a basis the prices mentioned in the auditor's report. We cannot agree with this suggestion as the rates of depreciation legally authorized are higher than the one of 2% per annum stipulated in the leases and, as such, the auditor's report prices of the assets on the 31-12-52 are lesser than those we should be entitled when taking the depreciation rate of 2%

5 Nevertheless, for most of the assets, the actual cost is many times higher than the net cost, (With 2 per cent depreciation) by the fact of the very important rise of prices of every material since the date of construction or purchase.

We remain dear sir.

/True copy/

P.S.

This morning on the 17th June, we have received a letter from the Tahsildar of Sandur dated the 16th June '53 asking to furnish the information with reference to the latest Income Tax return submitted by us. For the same reason than the one given above for the auditor's report we regret not to agree with this reference.

Besides, you have already most of the statements asked for.

Although we deny any responsibility for the delay with which the particulars are given, we agree that, for only the particulars we have not yet given, the date of the 30=6=53 at which the Lessor must signify his desire of purchasing all or any of the materials, be extended till the 15-7-53, if, on your side, you agree to extend time for us to give these particulars till the 1-7-53.

/True copy/

for Collector

18/6/53.

Encl to Bellary Coll's Lr. 3088/53 d. 16.6.53
(in original) 112 314

Collector's Office, Bellary,
Dated June 1953.

NOTICE.

(1) To
Messrs. The General Sandur Mining Company Ltd.,
Deogiri, Sandur Taluk, Bellary Dist.

(2) To
Messrs. The General Sandur Mining Company Ltd.,
119-125, Finsbury Pavement, London.

Dear Sirs,

Subj:- Lease Dated 24th January 1930 being ~~Sandur State lease No.~~ Temple Lease.

I have the honour to draw your attention to the lease dated 24th January 1930 made between Shrimant Major Madhavrao Balwantrao Jadhav, the Temple Chief, Sandur State acting for and on behalf of Raja Shrimant Yeshwantrao and Hereditary Trustee of Shri. Komaraswami Temple situated in the limits of Sandur State, Ghorpade, Raja of Sandur of the one part and your Company of the other part, whereby in consideration of the fees rents, royalties, and lessees covenants in the said lease reserved and contained, the lessor under the lease demised unto you the mines and other items mentioned and described in the said lease and in the schedule threto together with certain liberties, powers and privileges to be exercised in connection with the mines. The said lease also contains covenants, restrictions and conditions to be observed and performed by you.

2. The said lease was for a term of 25 years commencing from 1st January 1929, that is to say it will expire on the 31st of December 1953.

3. Clause 13 of Part IX of the said lease reads as under -

" Proviso for the Lessor to purchase. 3. If at the end or sooner determination of the said term the lessor shall be desirous of purchasing all or any of the buildings or works above ground level set up or constructed by the lessee which the lessee is not bound to deliver up under clause 17 of Part VII hereof and shall signify such his desire by notice in writing to the lessee six calendar months at least before the expiration of the said term (or if the said term shall be determined under the powers of re-entry hereinbefore contained at any time within three calendar months after the determination of the said term) the lessee shall sell to the lessor all or any of the said buildings and works at a price which shall be fixed or ascertained by taking the net cost of such buildings or works as at date of construction and deducting therefrom for depreciation a sum equivalent to 2 per cent per annum on the net original cost."

4. The said mines were/~~State~~ Temple properties and by virtue of Agreement dated 1-4-1949 between the Ruler of Sandur and the Government of India re: the administration of the State of Sandur, all right, title and interest of Raja Shrimant Yeshwantrao Annasaheb Ghorpade, Raja of Sandur (and Hereditary Trustee of Sri. Komaraswami temple) being the lessor have

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vested in the State of Madras, and it is the State of Madras which has become entitled to all rights under the aforesaid lease.

5. By virtue of the proviso contained in the said lease in favour of the lessor to purchase certain buildings, and works, including rails, tramways, locomotives, waggons, rolling stock, ropeways, Inclines and other Works Plant, machinery and motor vehicles which are comprised in clause 3 Part IX cited above, I hereby give you notice on behalf of the State of Madras that the State of Madras, being the lessor, is desirous of purchasing the buildings and works, equipment, stores, including rails, tramways, locomotives, waggons, rolling stock, ropeways, Inclines and other Works plant, machinery and motor vehicles above ground level set up or constructed by you, which you are not bound to deliver up under clause 17 of Part VII of the lease.

6. Please take notice accordingly and please note that the State of Madras exercises its option of purchasing these buildings and works, equipment, stores including rails, tramways, locomotives, waggons, rolling stock, ropeways, Inclines and other Works plant, machinery and motor vehicles.

7. The Collector of Bellary had inquired of you about the net costs of such buildings and works and had asked you to give him other particulars about the same, but you have failed to do so notwithstanding reminders and notwithstanding extensions of time asked by you for this purpose. Under the circumstances, the State of Madras hereby gives you notice of its desire to purchase the buildings and works, equipment, stores, including rails, tramways, locomotives, waggons, rolling stock, ropeways, Inclines and other Works plant, machinery and motor vehicles mentioned in and referred to in the said clause 3 of Part IX of the lease, and call upon you to give particulars thereof and of the net costs of such buildings and works as on date of construction in order that, after deducting the agreed depreciation, the price to be paid to you may be fixed or ascertained.

Collector of Bellary.

Issue today
24/6/53
Confidential

By Express delivery

development (I) dept

Memo.No. 30957/I/53-2 dt. 24.6.53

-- Mines - Mining lease - (Bellary) - Sandur Taluk - Lease granted to the Rajah of Sandur - Purchase of equipment from the G.S.M. Co. - Issue of notice - Instructions.

Ref:- From the Coll. of Bellary R.C. 3088/53 A12. dated 14.6.53

p.4 of — do — No. 3088/53 A.12 dated 16.6.53

pp 97-98 of — do — No. 3088/53 A12 dated 18.6.53

pp 105-106 of

W.r.t his letters cited, the following instructions are issued to the Collector of Bellary in connection with the issue of notice to the G.S.M.C Ltd, Sandur.

P. inp 98 of

2 The Coll. has enquired whether a notice can be issued to the G.S.M. Co. even if a portion of the cost of the equipment to be purchased is remitted by the Rajah of Sandur.

C inp 25 nf

The Coll. is informed that the Rajah should be asked to remit the full value of the equipment as per particulars furnished by the G.S.M. Co. before a notice is issued to the latter. In this connection, the Govt. are advised

A inp 26 nf

that if however, the Rajah feels difficulty in finding out the entire value, there is no ~~legal~~ objection to taking a document from him in respect of the balance and to issue the notice to the company. They wish

— Hrd —

that the Rajah need not be informed of this unless he himself asks for it.

2:116

such an arrangement. The collector is requested to take necessary action in this regard in consultation with the Govt. Pleader.

3 The action of the Collr. in having called upon the Rajah to remit the full cost of the equipment etc. quoted by the G.S.M. Co., is approved. W.V.t N. on p.98 of

4. As regards issue of a notice to the Registered Office of the Co. at London, the Collr. is informed that the notice may be issued to the Office of the Company at Deogiri, Sandur Taluk and a copy thereof sent to the London office for information. M on p.77 of

Vide note of 24.6.53 on p.2 of

JJ
26.6.53

26.6.53 — D 24/6/53 — 24/6 — To The Collr. of Bellary

26.6.53 — — —

Issue as mee
26.6.53

Development(J)Department.

Letter No.3095/J/53-22- d/ 26.6.53

To
The Rajah of Sandur,
Palace, Sandur.

Sir,

Sub: Mines - Mining Lease - Grant to the Rajah of Sandur - Purchase of equipment from the G.S.M.Co.— Issue of notice.

Ref: Your letter No.HZ/M.N.G/9-53, dated 15-6-53:

W.r.t. the points raised in your letter cited, I am directed to state as follows:-

(i) Issue of Joint notice to the Co.

The Govt. are advised that there is no need either for the issue of a joint notice or for a separate notice by you, as suggested in paragraphs 3 and 4 of your letter.

(ii) Issue of notice by the Govt.

The Govt. are advised that they can validly act through the Collr. and that there is no necessity for themselves to issue the notice in question.

Copy to the Collr. of Bellary.
Copy to the Director of ~~Controlled Commodities~~ Industries and Commerce.

25/6/53

25/6/53

Express Delivery - Late Fee Paid. 119

80750
26/6/53

Revenue Department.

From
Sri. D.R. Sundaram, I.A.S.
Collector, Bellary

To
The Secretary to Government,
Revenue Development Department, Fort St.George,
Madras.

SECRETARIAT
30 OCT 1953

Rc.No. 3088/53 A12 Dated 25-6-1953

Sir,

Sub; - Mines - Mining lease (Bellary) Sandur taluk lease granted to the Rajah of Sandur - purchase of equipment etc. from the General Sandur Mining Company - Report.

Ref;- 1. This office Rc. 3088/53 A12 dated 18-6-53.
2. Your D.O.No.30957/53-J.17 dated 17-6-53.

pp105-106 below
p93 above

I enclose a copy of letter No.H2/MNG.9/53 dated 22-6-53 of the Rajah of Sandur. He has given his assent in writing to purchase the five articles of equipment mentioned therein. The cheque for Rs. 3,64,585-3-6 being the approximate net cost of the articles was received and cashed on 24-6-53. The amount has been kept in Revenue Deposits in the Bellary Huzur Treasury. Chalan No.310/24-6-53 for the amount is enclosed.

p121 below

p129 below

2. A notice under clause 4 of part IX of State leases Nos. 1 and 2 and clause 3 of part IX of Temple lease 1929 was sent on 24-6-53 through a special messenger with directions to the Tahsildar, Sandur to see to its service on or before 25-6-53 on the Manager, General Sandur Mining Company, Deogiri Sandur taluk. The Tahsildar has been asked to serve another copy of the notice on the Manager representing the Secretary, the General Sandur Mining Co, Ltd. Balfour House, 119-125 Finsbury Pavement, London EC.2. A copy of the notice has also been sent to-day (25-6-53) to the Secretary of the said Company at London by registered Air Mail post as desired by the Huzur Secretary to the Ruler of Sandur in his letter dated 15-6-53, a copy of which has been communicated with your D.O. letter cited above. A copy of the said notice is enclosed. The served copy of it is expected to-day and will be sent to you on its receipt.

A

pp123-127 below

Ibid 5

3) The Rajah suggested in his letter H2/MNG/9/53 dated 15-6-53 a copy of which has also been enclosed to your D.O. letter that a notice may be issued to the Company jointly by himself and the Government or he may be permitted to issue a separate notice. If the Government think it necessary, another notice may be issued by the Government alone as there is no time to issue a joint notice at present.

pp63-67 above

It has been decided that this is not necessary. The Rajah has been informed accordingly.

4) The Rajah has also suggested in his letter dated 22-6-53 that the notice may be issued telegraphically to the Company's office at London. His Huzur Secretary who presented the cheque was told that it would cost heavily if the entire matter contained in the notice should be communicated to the Company's office at London by cable-gram. He first said that it could be sent at Rajah's cost but later on said that it need not be sent at such a heavy cost. I have therefore not done so. A cable-gram may be issued by the Government if they think it necessary.

p3 below

2 120

3095)J/53

-2-

✓ pp 123-127 below
p p 129 below
⑤ p 121 below

5. A copy of the notice dated 24-6-53 issued by me, the chalan referred to above and a copy of the Rajah's letter dated 22-6-53 are enclosed.

snr.

Collector. 25/6/53

Ans. 119-120 above
pp 1-2 above

Development (J) Dept

Submitted for perusal.
W.r.t A on p. 119 above, the Coll. may be asked to report whether the Company has acknowledged receipt of the notice.

A draft telegram is submitted below for approval

p. 133 below

J/ 27.6.53
27/6/53
27/6/53

27/6/53

S 27/6

Copy of letter No.HZ/MNG/9/53 dated 22nd June, 1953 from the Rajah of Sandur.

Please refer to a letter dated 18th June, 1953 Rc.3088 53 A12 written by you to my Huzur Secretary. In the said letter you referred to a list of buildings and works with their approximate net cost as furnished by the General Sandur Mining Co. to you and you also stated that the said Company had furnished you with a copy of seven items of the buildings and works and quoted the approximate original cost thereof. You also stated that the Company have contended that they are bound to sell only the said seven items and two ropeways and that they contend that they are at liberty to dispose of all other items which are moveables at prices to be agreed upon later.

2. Without accepting this contention of the Company that they are not bound to sell anything more than the seven items and the two ropeways referred to in your letter, I hereby intimate to you that I desire to purchase from the Company the items mentioned at the foot of this letter of which the approximate cost has been given by the Company as also mentioned hereunder. They are part of the items offered by the Company to you.

3. I request you to cause proper notices to be given to the Company in terms of the leases immediately so that the notices reach in time before the end of this month. The notices may be given to the Company in India and also telegraphicaly followed by confirmatory letter at the Registered office of the Company in London.

4. The approximate price claimed by the Company for the items that I have selected comes to Rs. 3,64,585-3-6. I am sending herewith a cheque ~~for~~ No.BA/1-21936 dated 20th June 1953 on the Imperial Bank for Rs. 3,64,585-3-6 in your favour. If there is no objection you please lodge this money in a call deposit account with the Imperial Bank of India,Bellary so that some amount of interest may be earned by me while the amount remains unutilised and unadjusted.

5. I request that this arrangement for interest be permitted to be made because the Company is not bound to give up the items till after 31st December 1953 and even thereafter, there may be difficulty in obtaining physical possession of the same.

6. Further the cost of the items has not been vouched for by the Company and the actual price to be paid may be found to be less. Since verification of the price will take time the money which I deposit should be allowed to earn reasonable amount of interest to be granted by the Imperial Bank which acts as your Treasurer.

7. Kindly make it clear in your notices that while the option to purchase the items mentioned in the list hereto is definitely exercised you reserve the right to check the net cost thereof and to see the condition thereof.

Sd. Y.R.Ghorpade,
Ruler of Sandur.

List.

Item	Approximate value given by G.S.M.Co.
1. Ropeways	Rs. 2,26,152-3-6
2. Tram lines etc.	91,813-0-0
3. Points and Crossings	10,303-0-0
4. Pumping sets and pipe columns	24,434-0-0
5. Inclines (Brake-gears)	11,883-0-0
Total	3,64,585-3-6

/true copy/

To Govt 125 B

NOTICE.

No. 3030/33 A12 Dated 24-6-1933.

From

Lt. D.H. Gundren, I.A.S.
Collector, Bellary

To

1. The Manager, the G.S.M.Co. Ltd. Deogiri, Sandur Tk. Bellary district.
2. The Secretary, The General Sandur Mining Co Ltd. Balfour House, 119-125 Finsbury Pavement, London Ec.2

Dear Sir,

Sub:- Mining - M.L. Sandur taluk - Deogiri village 80 square miles - Lease to be given to the Rajah of Sandur - Notice under clause 6 of part IX of the Lease deed.

I draw your attention to the following three lease deeds all dated 26th January, 1930 executed between your Company and the erstwhile Sandur State Government.

(i) Lease known and described as State Lease No.1 (1929) covering an aggregate area of 81 square miles or thereabouts to mine manganese, manganiferous and iron ores for a period of 20 years with effect from 1-1-1929.

(ii) Lease described as State Lease No.2 (1929) covering an aggregate area of 6 square miles or thereabouts to mine manganese, manganiferous and iron ores for a period of 20 years with effect from 1-1-1929 and

(iii) Lease described as Triple Lease 1929 covering an aggregate area of a. 1131-03 or thereabouts to mine only manganese ore for a period of 20 years with effect from 1-1-1929.

2) The above leases contain covenants, restrictions and conditions to be observed and performed by the lessee (General Sandur Mining Company) and the lessor (Government of Sandur State or its successors).

3) By the merger of the State of Sandur with Madras State in 1929 the respective right, title and interest of the lessors of the above three leases have become vested in the State of Madras and it is the State of Madras which has become entitled to all rights under the aforesaid three leases.

4) Clause 6 of Part IX of the Lease deeds described as State Lease Nos. 1 and 2 of 1929 and clause 5 of part IX of the Lease cum deed described as Triple Lease deed of 1929, read as follows;

" If at the end or sooner determination of the said term the lessor shall be desirous of purchasing all or any of the buildings or works above ground level set up or constructed by the lessee which the lessee is not bound to deliver up under clause 17 of Part VII hereof and shall signify such his desire by notice in writing to the lessee 6 calendar months at least before the expiration of the said term (or if the said term shall be determined under the power of re-entry hereinbefore contained at any time within three calendar months after the determination of the said term) the lessee shall sell to the lessor all or any of the said buildings and works at a price which shall be fixed or ascertained by taking the net cost of such buildings or works as at date of constructions and deducting therefrom for depreciation a sum equivalent to x 5 per cent per annum on the net original cost".

Provision for the lessor to purchase

[illegible]

121 #

Du can requested to acknowledge the receipt of this
notice by return post.

Wilcox, 312 p.m. 1653.

3/26/53 MV

Provincial
Central

DUPLICATE

(For instructions see reverse.)

Chalan for payment of money into the Huzur Treasury / Sub-Treasury at

No.

By whom paid and name and address of the person on whose behalf money is paid.	On what account, with authority and head of account.*	Amount.	Monthly consecutive number assigned to the credit in the Bank.
		Rs. A. P.	Month.

Date 19

Total (in words and figures)

Signature of Remitter.

Received the above sum in Cash.

Huzur Treasury
Sub-Treasury
The 19

Entered.

Signature of Treasurer, Shroff.

Signature of English Head Accountant.

Signature of Treasury Officer.
Taluk Head Accountant or Sarishtadar.

* Head of account should be filled in by the Departmental Office

(P.T.O.

T. & A. I.—23,50,300

IMPERIAL BANK OF INDIA. BELLARY

24 JUN 1953

310

Bellary Collector

Bellary Collector of the Treasury

Repayment of the Cash collected by the Rajah of Sandur

Rs. 3,64,585-3-6

Three Lakhs, Sixty four Thousands, five hundred and eighty five Rupees 3/6 only

Received payment

IMPERIAL BANK OF INDIA.

24/6

+2 130

M & A—IA.

INSTRUCTIONS

సలహాలు.

(Reverse)
(వెనుకవైపు)

"The receipt is not valid or binding on the Government unless—

I. In the case of payments in Huzur Treasuries it is signed (1) by the Huzur Treasurer and (2) by the English Head Accountant when the amount is under Rs 500 and also (3) by the Treasury Deputy Collector when the amount is Rs. 500 or more.

II. And in the case of payment in sub-treasuries, (1) by the Shroff and (2) by the Taluk Head Accountant or Taluk Sarishtadar"

III Receipts for cash or cheques paid for service stamps should be given in M.T.C. Form 5-A (T. & A 85).

"I. హుజూరు ట్రెజరీలలో చేసిన చెల్లింపుల విషయములో వైకపు మొత్తము రూ 500 లకు తక్కువగా నున్నప్పుడు (1) హుజూరు ట్రెజరరును, (2) ఇంగ్లీషు హెడ్ ఆకౌంటెంటును మరియు (3) వైకపు మొత్తము రూ 500 లు లేదా అంతకంటె ఎక్కువగా నున్నప్పుడు ట్రెజరీ డిప్యూటీ కలెక్టరుయొక్కను,

II. సబ్ ట్రెజరీలలో చేయబడిన చెల్లింపుల విషయములో (1) కరాపున్ను, (2) తాలూకా హెడ్ ఆకౌంటెంటు లేదా తాలూకా శరిస్తాదారున్ను దానిలో సంతకము చేసినచో తప్ప

ఈ రసీదు చెల్లతగినదిగా లేదా ఇవ్వబడినట్లు చేయబడినదిగా ఉండదు." [illegible]

III. సర్వీసు స్టాంపులకును చెల్లించిన డొక్కుమున్నైన లేదా చెక్కులైన రసీదులు M.T.C. 5-A (T. & A. 85) [illegible]

Government of India Overseas Communications Service.

Vakils. 19030 x 200-8-51.

BOMBAY MADRAS

26 JUN 53

B. :—*All enquiries regarding this Telegram should be made to the Government Telegraph Deptt. accompanied by this Form.*

THE FIRST LINE OF THIS TELEGRAM CONTAINS THE FOLLOWING PARTICULARS IN THE ORDER NAMED. Prefix, Letter, Number of Message, Office of Origin, Number of Words, Date, Time filed, and Official Instruction—if any.

MADRAS

RECD. AT BOMBAY AT:-

FIFTH ASSISTANT SECRETARY TO GOVERNMENT DEVELOPMENT DEPARTMENT 26 JUN 1953

UNDER SECRETARY 26 JUN 1953 PUBLIC

80951 J

26.6.53 DR 303

Pub (Coll-A) Dept (32

Development 2.n.

26/6/53

TAKM290 GXLN399 BRUXELLES 35 25 1532

LT = GOVERNMENT MADRAS INDIA

ARE NEGOTIATING WITH RULER SANDUR COOPERATION FOR EXPLOITING MINES STOP CONSIDERING DELAY REMITTANCE STATEMENT ASSETS BY MINES WE AGREE POSTPONE TILL END JULY YOUR NOTICE CLAUSE 4 PART 9 LEASES = GESANMICO

INWARD CCT NBR	INITIALS	TIME RECD

132

30957753

Development Dept.

H+S The Cable gram from the G.S.M.Co. Brussels at p/1. above may be perused.

The City has reported that the notice has been issued to the Co. No action is called for on H+S. May be added to the main file

29.6.53

29.6.53

27.

I issue 27/6/53

Development (J) Dept

Express Telegram No. 30957 J/53/23 dt 27/6/53

To

COLLECTOR
BELLARY

Reference your letter R.C. No. 3088/53 A12 dated twenty fifth inst. re. issue of notice to the General Sandur Mining Company AAA Please state immediately whether the company has acknowledged receipt of the notice

27/6

27.6.53

27/6/53

Secretary

27.6.53

Draft telegram 27/6/53

pp 119-120 above

P.C. to go. ✓ ✓

copy to the Director

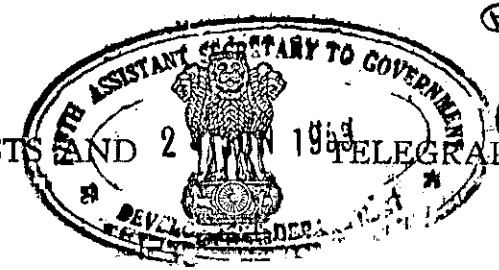
copy of pp 1-9 of

30957/53

82076 J

30.6.53

INVEST WISELY Buy NATIONAL SAVINGS CERTIFICATES



e 1102

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

Class } X P9
Prefix } .....Code.....

No.

C.

Recd. from..... By.....Blr	Sent at.....H.....M. To..... By.....	Offic. Stamp

Handed in at (Office of Origin)	Date	Hour	Minute	Service Instructions	Words
Bellary	29	15	45	Ste	24

To Devment madras — Recd. here at — H. — M

— General Sandur mining Company
A — acknowledged receipt notice twenty
wt — fifth report & sent twenty
recd — sixth please refer Government
memo 30957 / 53 :

— Collector —

N. B.—The name of the Sender, if telegraphed, should be written after, but separated from the text.

L & Co.—PC/177/52 CMB 7. 7. 52—7 lakhs 5170/OP—177—P&T—27. 6. 52

30957/53

137

Rc. No. 3088/53 A12 Dated 25-6-1953

82462 J

From

Sri.D.R.Sundaram, I.A.S.
Collector, Bellary.

To

The Secretary to Government,
Development Department, Madras.

Sir

Sub:- Mines - Mining lease - Sandur taluk - Deogiri village 29 square miles - lease to be given to the Rajah of Sandur - served notices - sent.

Ref:- My Rc. 3088/53 A12 dated 25-6-53.
Govt. Memorandum No. 30957/53-16 dated 1-6-53.

In continuation of my reference cited above, I have to state that the notices issued to the General Sandur Mining Company under clause 4 of part IX of the State Leases Nos. 1 and 2 of 1929 and clause 3 of part IX of the Temple Lease 1929 was served on 25-6-53 on the Manager of the General Sandur Mining Company Ltd. Deogiri Sandur taluk, both on his own behalf as well as on behalf of the Secretary, the General Sandur Mining Company Ltd. Balfour House, 119-125 Finsbury Pavement, London E.C.2.

133371

Collector.

Snr.

Home (Ct5 I)

Home 133371/Ct5/53-1

Missent. Dev. ur

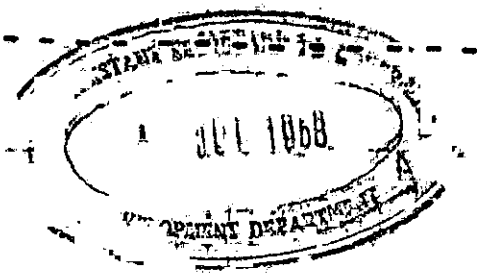
139

State Telegram Express 82782 1.7.53

Devment Madras

GENERAL SANDUR MINING COMPANY ACKNOWLEDGED RECEIPT NOTICE TWENTY FIFTH REPORT SENT TWENTY SIXTH PLEASE REFER GOVERNMENT MEMO. 30957 J/53

Collector.



Collector's Office, Bellary
Dated. 29.6.53.

Post copy submitted in confirmation to the Secretary to Government, Development Department Madras

As This is only a p.e. of T.M. already received. Vr.s.29.6. May be added to the file

Dev(J) Dept

For Collector.

Submitted to Secy.

1/7/53 1-7

2/7/53

93812 J

25/7/53

149

No. HZ/MNG-9/53.

Business Department.

SECRETARY TO GOVERNMENT
28 JUL 1953
DEVELOPMENT DEPARTMENT

Huzur Office, The Palace,
Sandur,
23rd July 1953.

From
The Private Secretary to
H.H. The Ruler of Sandur,
Sandur.

To
The Secretary to Government,
Development Department,
M a d r a s.

Sir,

Subject:- MINES- Mining Lease- Bellary--Sandur Taluk -area held by the General Sandur Mining Company- to be leased to the Raja of Sandur - Notice to Company- re. purchase of assets -

I am to enclose herein, for your information, and necessary action, a copy of my letter No. HZ/MNG-9/53, dated 23rd July 1953 addressed to the Collector of Bellary.

p.3 below

Yours faithfully,

for Private Secretary.

1433

No. HZ/MNG-9/53.

Huzur Office, Palace,
Sandur,
23rd. July 1953.

From
The Private Secretary to
H.H.The Ruler of Sandur,
Sandur.

To
The Collector of Bellary,
B e l l a r y.

Sir,

Subject :MINES - Mining Lease - Bellary - Sandur Taluk - Area held by the General Sandur Mining Company - to be leased to theRaja of Sandur - Notice to Company RE purchase of assets.

Ref : Your letter No. Rc. 3088/53 A. 12, dated 13-7-53.

I am in receipt of your letter Rc. No.3088/53 A. 12, dated 13-7-1953 intimating that the General Sandur Mining Company has signified its consent to the postponement of notice till the end of July 1953.

2. The Legal Advisers of the Ruler of Sandur are of the opinion that the notice issued by you on 24-6-1953 does not mention that it is onbehalf of the Madras State, and also that the Madras State, as the successor lessor, is desirous of purchasing the works equipment &c., in conformity with the wording of clause 4 of Part IX of theleaseheld by the General Sandur Mining Company.

3. With a view to avoid any technical objections later, I am to request that a fresh noticebe issued to the General Sandur Mining Company as indicatedbelow :-

(1) The noticeto be issued to the General Sandur Mining Company, instead of to the Manager or the Secretary of the Company.

(2) The notice should indicate that it is issued on behalf of the Madras State, as the successor lessor

(3) Instead of calling upon the company to sell as now stated, the notice should mention that the Madras State is desirous of purchasing works, equipment &c., (to be specified at the foot of the notice) in exercise of the rights vested in them under clause 4 of Part IX of the leases.

4. A fresh notice may kindly be issued to the company on the lines requested as early as possible and before 31 st. July 1953.

5. Please acknowledge the receipt of this letter.

Yours faithfully,

(V.Narasimha Rao)
for Private Secretary to
H.H.The Ruler of Sandur.

Copy with compliments to the Secretary to Government, Development epartment, Madras.

Very Urgent,
R.C. No. 3088/53 A12 Collector's Office, Bellary.
Dated. 25.7.53.

From
Sri. J.R.Sundaram I.A.S.,
Collector, Bellary.

To
The Secretary to Govt.
Development Department,
Madras.

Sir,

Sub:- Mines- Mining lease- (Bellary) Sandur Taluk-Deogeri Village- 29 Square Miles- now held by G.S.M Co., Granted to the Ruler of Sandur- Issue of a fresh notice- Instructions.

Ref:- This office R.C. No. 3088/53 A12 dated. 25.6.53.
Govt. Lr. No. 30957-J/53 -23 dated. 27.6.53 (Telegram)

The Private Secretary to the Ruler of Sandur has suggested that a fresh notice under clause 4 of Part IA of the State Lease may be issued to the General Sandur Mining Company as advised by his Legal Advisors. A copy of his letter No. HZ/MNG -9/53 dated. 23.7.53 and a copy of the telegraphic message from the London Office of the General Sandur Mining Company signifying its assent to postpone the date of issue of notice to 31.7.53, referred to in para 1 of the Private Secretary's letter are herewith submitted. I request the favour of early instructions in the matter.

25/7/53

For Collector.

Vr.s.25.7.

Same as p3 above

1477

... of letter No. HZ/ NG9/53 dated. 23rd July 1953 from the Private Secretary to the Ruler of Sandur.

Sub:- ines- Mining Lease- Bellary- Sandur Taluk- Area held by the General Sandur Mining Company- to be leased to the Raja of Sandur- Notice to Company RE: purchase of assets.

Ref:- Your letter No. R.C. 3088/53 A12 dated. 13.7.53.

I am in receipt of your letter R.C. No. 3088/53 A 12 dated. 13.7.53 intimating that the General Sandur Mining Company has signified its consent to the postponement of notice till the end of July 1953.

2. The Legal Advisers of the Ruler of Sandur are of the opinion that the notice issued by you on 24.6.53 does not mention that it is on behalf of the Madras State, and also that the Madras State, as the successor lessor, is desirous of purchasing the works equipment & co., in conformity with the wording of clause 4 of the part IX of the Leases held by the General Sandur Mining Company.

3. With a view to avoid any technical objections later, I am to request that a fresh notice be issued to the General Sandur Mining Company as indicated below:-

(1) The notice to be issued to the General Sandur Mining company, instead of to the Manager or the Secretary of the company.

(2) The notice should indicate that it is issued on behalf of the Madras State, as the successor lessor.

(3) Instead of calling upon the company to sell as now stated, the notice should mention that the Madras State is desirous of purchasing works, equipment & Co., (to be specified at the foot of the notice) in exercise of the rights vested in them under clause 4 of part IX of the leases.

4. A fresh notice may kindly be issued to the company on the lines requested as early as possible and before 31st July 1953.

P.T.O.

S. 1482

5. Please acknowledge the receipt of this letter.

/true copy/

Copy of Telegram from Gesanmico 304 Bruxelles addressed to the Collector, Bellary.

are Negotiating with ruler Sandur cooperation for exploiting mines stop Considering delay remittance statement assets by mines we agree postpone till end July your notice clause 4 part 9 leases

sanmico

/true copy/

B. N. Venkobha Rao

Huzur Head Clerk.

25.7.53

Development(J)Dept.

Memo No.93812.J/53-3-d/ 1.8.53

Sub: Mines - Mining Lease - (Bellary) - ~~Standard~~ Sandur Taluk - Lease granted to the Rajah of Sandur - Purchase of equipment from the G.S.M.Co. on behalf of the Rajah - Notice issued Points raised by the Rajah of Sandu ~~Instructions issued~~ to be passed.

Ref: From the Collr.Bellary Rc.No.3088/ 53, A.12,dated 25-7-53:

The Collr. of Bellary is informed that there ~~is~~ no ~~necessity~~ need to issue a fresh notice to the General Sandur Mining Company as suggested by the Rajah of Sandur.

To the Collr. of Bellary.
Copy to the D.I.&C. (with encl.)
Copy to the Rajah of Sandur.

CNE. 30957 5/53

Development (I) Dept

Mines — Mining lease — grant to the Rajah of Sandur — Execution of agreement.

p. 1 of — From the Rajah of Sandur HZ10/53 dated 12.3.53
p. 2½ of — From the Coll. of Bellary Roc 3088/53 A.12 dt 9.4.53

A.S.

pp. 1-62 of (R) — In G.O Ms. No. 86 dev dt 26.2.53, the Govt. sanctioned the grant of a mining lease to the Rajah of Sandur over an area of about 29 sq. miles in Sandur Taluk now held by the General Sandur Mining Co. The lease is to take effect from 1.1.54. The Govt. ~~have~~ also directed that action can be taken to execute an agreement with the Rajah of Sandur to the effect that the lease will take effect from 1.1.54: The Collector of Bellary has now submitted a draft agreement in this regard for approval of the Govt. and it is at p. 27 of.

p. 27 of

2 The Govt also observed that they can purchase the capital equipment from the present lessee (G.S.M. Co.) for subsequent transfer to the Rajah of Sandur provided the Rajah executes an agreement to the effect that by this arrangement the Govt. will not be put out of pocket or exposed to any legal or financial implications arising out of the transaction. The Coll. of Bellary was asked to ascertain from the Rajah whether he is willing to execute such an agreement and if so, to submit a draft agreement in this regard also for approval of the Govt. The Rajah is willing to execute the above agreement. The Coll. has therefore submitted a draft agreement for approval.

3 In this connection the Govt. Pleader, Bellary has raised the following points for consideration

(i) that G.O.No. 868 Rev dated 26.2.53 is silent regarding iron ore though the application of the Rajah of Sandur is both for manganese and iron; and — Appendix

(ii) that there is no provision to indemnify the Govt. in case the Rajah of Sandur refuses to take on lease later or Vice Versa. — Appendix

Item (i) above:—

The lease deeds executed by the G.S.M. Co. are not available here, and are with the Coll. of Bellary. It will however be seen from Exhibit p.1. of and pp 407-409 of (S) that reference is made only to manganese and not to iron ore. It may be stated that the intention is to grant mining lease to the Rajah of Sandur for the same minerals for which the G.S.M. is holding a lease at present. It may, therefore, be ascertained from the Coll. of Bellary as to the minerals for which the G.S.M. is holding a lease.

Subject to orders, a draft Memo is submitted below for approval.

Item (ii) alone:—

The Govt. Pleader has pointed out that there is no provision to indemnify the Govt. in case the Rajah of Sandur refuses to take on lease later or Vice Versa. — Appendix

It may be mentioned that under the M.C. Rules, the Govt. cannot compel any body to take a mining lease further, even after taking a lease, the lessee may determine the lease at any time by giving not less than twelve months notice in writing to the State Govt. under Rule 43 of the M.C. Rules. It would therefore appear that there is no necessity for the provision to — NOT pr Ans

A

B on p.25 "1-11

indemnify the Govt. as suggested by the Govt. Pleader's legal way advise

The file may be sent to Legal Dept. for scrutiny of the draft agreements at pp 27 c.f. and pp 29-30 c.f.

21/4/53 21/4/53 21/4/53 S/21/4

Legal (a:s)

No. 30957 J/53-9

21-4-53

Legal (Scrutiny) Department

Draft Agreement at page 27 c.f. - The period for which the lease is to be granted has not been specified, although paragraph 3(1) of G.O.Ms.No.868, Development, dated 26-2-53, sanctions the grant of the mining lease for a period of 20 years. The period has accordingly been specified. Development will no doubt satisfy themselves that this is in accordance with the intention of the Government.

Leg.Cno.6699 21-4-53 R Recd at 5.40PM

2. Subject to the above remarks, the alterations indicated in red ink [redacted] may be made.

3. Draft Agreement at pages 29-30 c.f. - The alterations indicated in red ink [redacted] may be made.

4. Portion marked A on pages 2-3 above. - Development consider that no provision for indemnity is necessary. It is no doubt true that under the Mineral Concessions Rules, 1949, a person is not bound to take on lease any land. But in this case, an agreement is being executed in favour of the Rajah of Sandur, at his instance and the Government bind themselves to grant the lease to him. It is necessary and desirable to insert a provision obliging the Rajah to indemnify the Government in case he refuses to take the land on lease, after the execution of the agreement. In order to save time, the Government Pleader, Madras, may be asked to suggest a suitable provision for being incorporated in the agreement at pages 27 (-28) c.f.

5. Attention is invited to portions marked D on page 5,

V

Q on page 6 and R on page 15 of the note file in G.O.Ms. No.868, Development, dated 26-2-53. It is presumed that Development are staisfied that the existing lessee viz., Sri General Sandur Mining Company Limited, has no right to claim renewal of the lease and that the company will not exercise its right to get renewal conferred on it by rule 40 read with rule 62 of the Mineral Concessions Rules, 1949.

P 7 (R)

23/4/53 — Legal U.O.6699/53 23.4.53

D.S. Ident

SECTION ASSISTANT SECRETARY TO GOVERNMENT 28 APR 1953 DEVELOPMENT DEPARTMENT

Development (I) Dept

A.S.

Notes of Legal Dept at pp 3-4 above may be perused.

M on p.3 above:— The intention is to grant the mining lease to the Rajah of Sandur for a period of 20 years from 1-1-1954. The amendment suggested by Legal dept at S on p2 of may be accepted. ✓ Vide ✗ on p 6 of (R)

P above:— The presumption is correct. The lease deeds do not confer upon the present lessee any right to renewal of lease [Vide W on p 5 of (S)] W on p 5 of (S)

N on p.3 above ✓ Legal Dept agree that under the M.C. Rules 1949, a person is not bound to take a lease. But in this case, as an agreement is being executed in favour of the Rajah of Sandur at his instance, thus binding the Govt. to grant the lease to him, the Legal Dept consider that it is necessary and desirable to insert a provision obliging the Rajah to indemnify the Govt. in case P.T.O. N on p 3 above P 1 to 4

he refuses to take the land on lease after the execution of the agreement. In order to save time, Legal dept. have suggested that the Govt. Pleader Madras may be asked to suggest a suitable provision for being incorporated in the agreement at pp. 27-28 cf.

It may be mentioned here, that Secy. has agreed to meet the Rajah of Sandur during his proposed visit to Madras in the course of this week and has ordered that the draft agreements should be ready before the Rajah meets him. As the Govt. Pleader Madras will have to be appraised of the full facts of the case so as to enable him to suggest a suitable provision and as a reference to him may entail delay, it is for consideration:-

(i) whether the Legal dept. themselves may be requested to suggest a suitable provision in this regard

or;

(ii) whether the Govt. Pleader Madras may be consulted as suggested by Dept.

For orders.

23/4/53

23/4/53

23/4/53

S

(11) may be done

A

23/4

A.S.

A above:-

A draft Memo to the Govt. Pleader, Madras is submitted below for approval

24/4/53

25/4/53

6

To A.S.

In G.O.No.868, Dev., dated 26-2-53 the Govt. sanctioned the grant to the Rajah of Sandur of a mining lease for ~~iron ore~~ manganese over the area of about 29 sq. miles now held by the General Sandur Mining Co. for a period of twenty years from 1-1-54. During his discussions with the Secy. today, the Rajah of Sandur has represented that the General Sandur Mining Co. is holding a mining lease both for manganese and iron ore and that therefore the lease granted to him may also include iron ore. In this connection it is submitted that the Collr. of Bellary has been asked to verify from the lease deeds of the G. S.M.Co. and report the minerals for which the Co. is holding a lease and his reply is awaited. As the Rajah is definite that the lease held by the G.S.M.Co. includes iron ore also, it does not seem necessary to await the reply from the Collr. to the Memo. at p.31 c.f.

It may be mentioned in this connection that with a view to reserving the iron ore-deposits in the Bellary, Kurnool and Salem districts, the Govt. of India have been addressed for their approval for inclusion of a new condition in future lease deeds to the effect that the lease will be subject to resumption whenever required by Govt. The reply from the Govt.of India is awaited. The applications for mining leases for iron ore in these districts are therefore kept lying over pending the receipt of a reply from the Govt.of India. It may also be stated that on the question of the starting of an Iron and Steel Plant in the Madras State, the Govt.of India have reiterated that under the existing conditions, the most favourable site for the location of the Iron and Steel plant is either Madhya Pradesh or Orissa. They have however promised to consider the views of this Govt. while arriving at a final decision re: the actual site for the plant. Thus, it may be seen that the chances of starting of an Iron and Steel Factory in the Madras Stat are far remote. It may be further stated that the

T.O

Rajah has been granted the lease subject to the important condition that he should take steps to start an electro metallurgical industry (including ferro managanese industry and that therefore it is necessary that the lease should include iron ore also.

In the circumstances mentioned in the preceding paragraph, it is for consideration whether the principle of reservation of iron deposits in Bellary district will be relaxed in the case of the Rajah of Sandur and ~~e~~ mining lease granted to the Rajah ~~for iron ore also in addition to manganese~~ in G.O.No. 868 dated 26.2.53 iron ore included in the. Subject to orders, a draft Memo is submitted below for approval.

24.4.53

24/4/53

24/4/53

24/4/53

I would like clarification on two points
1) Are we agreeing that Iron ore should be included only on the Rajah's statement or on the report of the Collector or is there any evidence in the file of Iron ore having been included in the lease of the Sandur Coy.

11) What about the suggestion to ask the Rajah to indemnify the Govt in case he does not take the land. I suppose the present G.O has nothing to do with it & it will come at a later date

25/4/52

SECRETARY TO GOVT
25 APR 1953
DEVELOPMENT DEPT

8

304 : J/53

A.S.

The minutes of M (J+L) at p.7 above may be perused.

S on p.7 above :- The Govt. Pleader has been asked to suggest a suitable provision in this regard for incorporation in the agreement. [Vide Memo at pp. 41-42 cf.] It is submitted that the draft memo below has nothing to do with the agreement. pp.31-32 cf

R on p.7. above :- Apart from the mention made by the General Sandur Mining Co. in its renewal application at p.45 cf (S), there is no evidence in the file, of iron ore having been included in the lease of the G.S.M. Co. In the circumstances, it is for orders whether the Collector may be reminded telegraphically to furnish the information called for in the Memo. at p.31 cf. this immediately.

X on p.45 cf
Plus Royalty
Statement
separately to
me

Subject to orders a draft telegram is submitted below for approval.

J/
25.4.53

25/4/53

25/4
5 (⊗ ai)

⊗ issued. p.43 cf

[From the Govt. Pleader No. 491/5 dated 24.4.53] p.45 nf

A.S.

W.r.t. the Memo at pp 41-42 cf., the Govt. Pleader has suggested a ~~draft~~ provision for incorporating in the draft agreement No. I at pp 27-28 cf

p.45 nf

P.T.O

For orders whether the provision suggested by the Govt. Pleader at A on p45 cf may be accepted and incorporated as para in the agreement at pp 27-28 cf.

Legal may see for acceptance

SJ/25.4.53

25/4/53

25.4.53

Legal (Secn) S/25/4

Dev. 4.(J).30937 J/53

25.4.53

Legal(Scrutiny) Department.

The provision suggested by the Government Pleade at A on page 45 c.f. is accepted in this Department.

27/4/53

25.4.53

Legal no 6987/53

27.4.53

A.S.

Development (J) Dept.

Summarising Note

In connection with the grant of mining lease to the Rajah of Sandur, the Govt. have ordered the execution of the following two agreements :-

(i) an agreement agreeing to execute the lease which is to take effect from 1-1-1954; and

Submitted (R)

P.T.O

(ii) an agreement from the Rajah indemnifying the Govt. against loss or damage in the proposed purchase of machinery and equipment from the G.S.M. Co on behalf of the Rajah.

Compl of (R) ? 1 IV on p2 of

The Collector of Bellary has submitted draft agreements in this regard. Clean copies of the draft agreements as amended by legal dept. are put up at (N) and (P)

pp 27-30 of (N) and (P)

In draft agreement (N) No. I Legal Dept have suggested the inclusion of a "Schedule" to describe the extent of 29 sq. miles "more particularly" Presumably the intention is to give details re. the location, S No. and the extent comprising the area of 29. Sq miles. As the particulars are not available, it is for consideration whether the "Schedule" may be as follows.

(N)

A on p.t of

" Area of 29 sq. miles or thereabouts now held on lease by the General Sandur Mining Co. Ltd, Sandur"

The other alterations to the draft agreements suggested by Legal may be accepted.

W.V.t the minutes of M(Ltl). at S on p 11. above, it is submitted that a provision has been included in draft No. I.*

* Vide P

P.T.O

As regards (the minute of M(SL)) R on p.7. above, the Collector of Bellary has been reminded telegraphically to furnish the information and this reply is awaited. This question will be further examined on receipt of the reply from the Collr.

It is now for orders whether the draft agreement at (N) and (P) will be approved.

[It may be stated in this connection that there is no objection to the Secretary executing the agreements on behalf of the Government - Vide A on p 2 of L.F.]

The representatives of the Rajah met me and told me that there is some misgiving for the Rajah in accepting the new indemnity clause that has now been added. They point out that according to para. 6 of G.O. 868, Dev., dated 26.2.53, there is a possibility of the conditions of the lease undergoing modifications or alterations at a future date. If under that paragraph, a new condition or a modification of the existing conditions is sought to be imposed by the Mysore Govt. (who are likely to be the Govt. actually to execute the lease deed in this case) and that new condition or modification is not acceptable to the Rajah, he should have the option, not to take the lease. It will not therefore be strictly safe for the Rajah to agree to the new clause which will bind him to take up the lease, in spite of an unacceptable condition being imposed on him at a future date. They therefore suggest that either this indemnifying clause may be omitted from the agreement or paragraph 6 of G.O.868, Dev., dated 26.2.53 which permits alterations and additions to the conditions of the lease being imposed at a future date, may be deleted. They prefer the latter course. There seems to be some force in their representation. For orders whether the modification suggested by the Rajah's representative either in the

draft agreement or in G.O. 868, Dev., d/ 26.2.53 will be made.

28/4/53

S

A, urce not do M(b+L) page 10 detail in the original deed may be regarded collector can enact them Representatives do not press for the change on which the Govt secretary has noted:

It is better Collector agrees. the agreements - should be and they may be sent to him without delay X

29/4

S.

Spoken to Secretary.

M above:- With his original application for mining lease, the Rajah of Sandur has furnished details regarding the area of 9. sq. miles held on lease by the General Sandur Mining Co. vide pp.9-12 c.f.(M). These have been verified with the copies of the leases available with the Rajah. It is for orders whether these particulars may be entered in the Schedules to draft agreements No. I at (N) & (P)

1 (M) pp 9-12 of (M)

pp 9 (N) and P3 (P)

X above:- It may be mentioned that under existing orders, there is no specific provision authorising the Collector to execute such agreements and that special authorisation

contd..

will be necessary if the Collector is to be asked to execute the agreements.

Secretary, wanted to know in this connection whether he will have to go to the Registration Office if he were to execute the agreements. It has been ascertained from Rev. Dept. that it is not necessary for Secy. to appear in person at the Registration Office for ~~executing~~ registering the agreements. In the circumstances, it is for orders whether the agreements will be executed by Secy. on behalf of the Govt.

The file may be circulated to M(I & L) for ~~orders whether~~ approval of the draft agreements at (N) and (P) ~~will be approved~~ which have been scrutinised by Legal.

(The points raised by M(I & L) at P.7, above have been answered at p. 8 ~~below~~ above)

But note that I shall be out of station on 5th inst and the reg. may be done by me that day

S/

S/ 28/4/53

28/4/53

A/ 29/4/53 S/ M(I&L).

May approve. If may execute the agreements, as the Rajah has come to Madras, specially for the purpose

A/ M Krishnaswami 29/4 660 clerks

29/4

M(I&L) 29/4/53

SECRETARY TO GOVT. 29 APR 1953 DEPARTMENT

With ref. to orders above, copies of the agreements at (N) & (P) may be sent to the Rajah and he may be asked to prepare the agreements on requisite stamp paper and get them ready for execution by Secy. A draft letter is submitted.

As regards inclusion of iron ore in the G.O. granting the lease to the Rajah, the Collr. has now reported that there are 3 lease deeds executed by the G.S.M.Co. for the area of 29 sq.miles and that the

Amp 45/4

P.T.

14

minerals specified in the lease deeds are as follows:-

	Area.	Minerals for which the lease has been granted.
(1) State Lease No.1 of 1929	21 sq. miles.	Manganese, Manganiferous and Iron ores.
(2) State Lease No.2 of 1929	6 "	-do-
(3) Temple Lease No.1 of 1929	2 "	Manganese ore only.

It is seen, that excepting the area of 2 sq.miles against item 3, the G.S.M. is holding leases for manganese, manganiferous and iron ores. In respect of item 3 the lease is for manganese alone. ~~It is for consideration whether~~ In view of the condition that the Rajah should start an electro metallurgical industry (including ferro manganese industry), it is for consideration: ~~whether~~

(1) whether ~~the~~ "manganiferous and iron ores" will be included in ~~the~~ G.O. No.868 Dev., dated 26-2-53 over the entire area of 29 sq.miles,

or

(2) whether the inclusion of manganiferous and iron ores" will be restricted to 27 sq.miles only at present held by the G.S.M.Co.

For orders.

29.4.53 29/4/53

Manganiferous and iron ores may be included in respect of the entire area of 29 Sq. miles. They may be also be mentioned in the agreements. The draft Memo below amending G.O. 868 Dev. dt 26.2.53 is for appl. The pencil amendments in the draft agreements are also for approval. M (I&L) may see again before issue of the letter and the Memo.

29/4/53

SECRETARY TO GOVERNMENT 30 APR 1953 DEVELOPMENT DEPARTMENT

We need not advance beyond the lease already given, as orders apply to it. (2) may therefore be approved.

29/4 M (I&L)

30/4

3.A.2/2/53

To A:S.

Orders at the bottom of p: 14 above

may be passed ... ... & the draft agreements

The draft sanctions below have been suitably amended in pencil & the orders whether the draft letter & memo above may issue.

Ir
30.4.53.

30/4/53

p: 1 cf [Iravadas Memo No. 30957 J/53 10 dt 30.4.53]
p: 2 cf [Iravadas letter No. 30957 J/53 11 dt 30.4.53]
p: 3 cf [Iravadas Memo No. 30957 J/53 12 dt 1.5.53]

A.S.

The Dt. Regr. has not sent so far, forwarded the agreements referred to in the Memo at p 23g He may be reminded.

A draft Memo is submitted below for approval.

7/5/53

7.5.53

p.63 cf [Iravadas Memo No. 30957 J/53 13 dt 7.5.53]
p.65 cf [From the Regr. of Assurances Madras Chingleput dt 9.5.53]

A.S.

XX

pp bordered (R)

In connection with the grant of mining lease to the Rajah of Sandur, the Government ordered the execution of the following two agreements.

(C)

(i) an agreement agreeing to execute the lease which is to take effect from 1-1-54; and

(ii) an agreement agreeing to purchase the equipment etc. from the G.S.M.Co., on behalf of the Rajah of Sandur, subject to the condition that the Govt. will not be put out of pocket or exposed to any legal or financial implication arising out of the transaction.

The ~~above~~ two agreements referred to above have been executed and registered and will be found at (C) and (D)

p.t.o.

16

30/2.1.53

Ac.b

~~(D).~~ These agreements may now be sent to the Collr. of Bellary and he may be asked to take necessary further action immediately w.r.t Agreement No. I viz: to take act~~viz.~~ to issue a notice to the G.S.M. Co., for the purchase of their equipment on behalf of the Rajah of Sandur.

Subject to orders a draft Memo to the Collr. is submitted for approval.

Legal and Fin. may see for acceptance before circulation to C.M. w.r.t. his minutes at X on p. 24 nf of (R).

15/5/53.

15.5.53

Legal / Fin

Legal (Scrutiny) Dept

Seen in Legal

16/5/53

Finance

Fin (Dept)

The draft memo. below may be...

accepted

18.5.53

Dev.

Development (G) Dept

Notes from XX on p. 15 above may be perused for orders whether the draft Memo below may issue ~~if (M(LL)) and~~ C.M. may see before issue. As M(LL) is in Ooty he may perhaps see after issue in view of the urgency.

20/5/53

C.M.

M (L+L) (Ai)

ASSISTANT SECRETARY 8187-C 15 MAY 1953 12.35 Pm LEGAL DEPARTMENT

FIFTH ASSISTANT SECRETARY TO GOVERNMENT 14 MAY 1953 DEVELOPMENT DEPARTMENT

ADDITIONAL DEPUTY SECRETARY TO GOVERNMENT 18 MAY 1953 40743 FINANCE DEPARTMENT

Legal No. 64739 J

16.5.53

Fin No. 40743 J

19.5.53

33/295 21/5/53

Draft is self explanatory and follows the previous decision of Govt. to acquire for the Riga, the equipment of the mining Company

60 Clarke 20/5

C. M. C. Rajagopalachar 20.5.53

(1 + L)(a) (b) MKrishnaRao 23/5/53

Recd. from C.M. on 21/5 A.N.

21/5 (b) issued. p.69 cf

DEPUTY SECRETARY TO GOVERNMENT 21 MAY 1953 DEVELOPMENT DEPARTMENT

SECRETARIAT DEVELOPMENT DEPARTMENT 26 MAY 1953

SECRETARIAT 21 MAY 1953 DEVELOPMENT DEPARTMENT

DEPUTY SECRETARY TO GOVERNMENT 26 MAY 1953 DEVELOPMENT DEPARTMENT

p.73 cf [from the Colly. of Bellary Roc 3088/52 A12 dt. 29.5.53]

M.S.

The letter from the Colly. of Bellary at p 73 cf may be perused.

In reply to the notice issued to the G.S.M.Co, the company has informed the Colly that as most parts of their assets have been constructed and erected many years ago and that as the work involved in collecting their cost will take some time, it is practically impossible to furnish the particulars before 31.5.53. The Collector considers that the Company's request for granting some time is reasonable. He has accordingly recommended that the Company may be given time till 15.6.53 to furnish the ~~information~~ particulars, so that a final notice may be issued to the Company under cl. 4 of Part II of the lease deed before 25.6.53 and has requested for orders in the matter.

M. on p 73 cf

They have asked for reasonable time to enable them to furnish the particulars

✓ A on p 73 cf

Ind —

P.T.O.

10

09575/53

In the circumstances, it is for orders whether as recommended by the Collr, the General Sandur Mining Company may be granted time till 15.6.53 to furnish the particulars.

The Collr. may be asked to see that a final notice is issued to the Company before 25.6.53. (So that the notice may reach the Co. before 30.6.53) He may also be asked to submit a report before 27.6.53.

(The last date for issue of the notice is 30-6-53).

Subject to orders, a draft Memo is submitted below for approval.

1.6.53

1/6/53

S 1/6

(Issued as Memo No. 30957/53-1 Dt. 1.6.53) pp 75-76 c.f.

Development(J) Dept.

(From the Rajah of Sandur No.H2/MNG/9-53,d/15-6-53) pp 77-81 c.f.

Extract of orders of Secy at A on p.77 c.f.:-

"Examine at once"

J.M.L.P.
16-6-1953.

A.S.:-

The file relates to the issue of notice to the G.S.M.Co. for acquiring their equipments etc. on behalf of the Rajah of Sandur.

2. In Memo at pp.75-76 c.f. the Govt. accepted the recommendations of the Collr. of Bellary that the G.S.M.Co. may be given time till 15-6-53 to furnish the particulars called for by him and that a final notice may be issued to the Co. under Cl.4 of Part IX of the lease deed before 25-6-53. The Collr. was also requested to see that a notice was issued to the Co. and its acknowledgement obtained before 25-6-53 positively

pp 75-76 c.f.

— hide —

~~tively~~ and to submit a report to Govt. not later than 27-6-53.

3. In his letter at pp.77-81 c.f., the Rajah has represented that he apprehends that this delay on the part of the Company may be intentional with the motive of avoiding the notice and asking for a higher price for the equipment later on. He has therefore requested that the notice may be issued to the Co. immediately, without according to any request for any further time to furnish particulars. He feels that the Co. will either not furnish or will not be able to do so, within the date prescribed by the Govt. In the circumstances, it is for orders whether the Collr. may be asked to offer his remarks immediately on the letter at pp77-81 c.f. and to report whether the Co. has since furnished the particulars. A draft D.O. is submitted below for approval.

4. In this connection, the Rajah of Sandur has also reported that as ~~advised~~ suggested by his legal advisers it would be advisable that the notice to be issued to the G.S.M.Co. should be a joint one signed by the Govt. and himself, lest the Co. should take a technical objection that the notice does not come from the "lessor" (Rajah of Sandur) mentioned in the lease deed. In the alternative, the Rajah has suggested that if the Govt. have no objection, a separate notice may be issued by him simultaneously confirming the notice issued by the Govt. It seems, that since after the merger, the State Govt. would be the lessor, the validity of the notice issued by the State Govt. cannot be questioned and that the joint notice suggested by the Rajah is not ——

(p.t.o.)

necessary. Perhaps, as a measure of abundant caution, the State Govt. may ~~not have any objection~~ agree to the Rajah issuing a separate notice simultaneously confirming the notice issued by the Govt. For orders whether the Rajah may be informed accordingly.

Vide ¶ 5 on p.79 ante

We may agree to this

17/6/53

Legal may advise on this point.

5. The Rajah also apprehends that the Co. may also take a technical objection to the notice issued by the Collr. He has reported that his solicitors definitely feel ~~that~~ that the final notice should be issued by the Govt. themselves in the form of a G.O., so as to put the whole matter beyond question or doubt.

See ¶ 3 on p.77 ante

ibid —

Primafacie, there seems to be little reason for the above apprehension of the Rajah. However, Legal may be requested to advise:

~~whether~~ whether

(i) it is sufficient if the notice, in question, is issued by the Collr. on behalf of the Govt:

O R

(ii) whether the Govt. themselves should issue the notice

6. In his letter (4) addressed to the Collr. of Bellary, the Rajah of Sandur has invited attention to the Balance Sheet of the Company for the year ending 31-12-48 according to which, the expenditure on buildings, tramways, ropeways, machines and other works-plant, machinery and motor vehicles amounts to £17,727/- that is approximately Rs.2,30,451/- He has stated that deducting further depreciation at the rate of two per cent per year according to

(4) enclosure 82-87 ante

See ¶ 3 on p.83 ante

— ibid —

— ibid —

Cl. 4 of Part IX of the State leases (clause 3 of Part IX of the temple lease deed) about 10% of the above amount has to be written off upto the year ending 31-12-53, that is to say, the value of the assets would be £15,954/ equivalent to approximately Rs.2,07,406/- assuming, without admitting, that all the items comprised in the amount have to be paid for. He has therefore offered to deposit a sum of Rs.2,00,000/- in the treasury in order to avoid further controversy and delay as regards the particulars of the figures to be obtained from the Co. He has pointed out in this connection that the possibilities are that he is making extra payments because the expenditure of £17,727/- would necessarily include expenditure on items of equipment which under clause 17 of Part VII of the State and Temple leases, are to be surrendered by the Co. without any payment. The Rajah has observed that the above suggestion has been made in view of the fact that the Company is delaying to furnish the particulars required by the Collr. In the circumstances it is for consideration whether the above suggestion of the Rajah will be accepted.

Finance may advise on this point. After orders are passed, the file may be sent to Legal and Fin. Depts.

17/6/53

17.6.53

Devn.O.30957/53 -18-

17-6-53.

Legal (Opinions-A) Department.

Paragraph 4 on pp.19-20 ante: After the merger of the Sandur State with the Madras State, the Rajah of Sandur as such has no constitutional or legal status in respect of the transactions of the late

Sandur administration. The Madras Government, as the successor Government, have stepped into its shoes and have got every right to exercise all the powers reserved by the late Sandur administration. It is this Government that should issue the notice under clause 4, of Part IX, of the Lease Deed, requiring the company to sell the equipment etc, in accordance with the terms of that condition. There is absolutely no need either to permit the Rajah of Sandur to join in the notice or permit him to send a separate notice confirming the Madras Government's decision in this regard. Even if permitted, it will not be valid.

Paragraph 5 on page 20 ante: This Government have already authorized the Collector to issue a preliminary notice calling upon the company to give details of the buildings, stocks, equipment etc., and have also directed him to issue a notice under clause 4, Part IX, of the Lease Deed. The Collector has also taken the first step - See his letter at page 73 c.f. The Collector of a district has been empowered to execute deeds in respect of prospecting licences and mining leases under section 175 of the Government of India Act which authorization continues to be in force under the Constitution - See flag (J). Normally, the Collector can exercise all the powers of a lessor under the mining lease. In this particular case, the Collector has been specifically authorized to give notice under clause 4, Part IX, of the Lease Deed. The Government can validly act through the Collector. In this view, there is no necessity for the Government themselves to issue notice under clause 4 referred to above. But if it is considered that time should be saved, there is no legal objection to the Government themselves issuing the notice. The notice should be drawn up after scrutinising the text of the notice already issued by the Collector and of the terms of the Lease Deed.

ADDITIONAL DEPUTY SECRETARY TO GOVERNMENT
FINANCE DEPARTMENT
4926/53
18 JUN 1953

Legal U.O. No.
9993/53-1
18-6-53

1876/53 J-5 18.6 Finance

30957/J/53

23

(Previous Fin note on p 16 ante) Finance (Accts

The correspondence at pp.83-91 Cf and the discussions from the middle of p 18 ante may be perused.

2. In the circumstances this department may agree to the proposal at X on p 21 ante. Fin. may see.

Thro' Fin (Exp B)
21/6/53

Govt 1953

17.6.53 AS / 22/6/53 AS / 22/6/53 : Desk

EXTRA ASSISTANT SECRETARY TO GOVERNMENT
22 JUN 1953
GENERAL DEPARTMENT

22.6.53

p.95 Cf — [From the Collr. of Bellary Rc 30 88/53 dt 12.6.53]
pp 97-98 Cf — [ditto dt 16.6.53]
pp 105-106 Cf 78774 J 22.6.53 — [ditto dt 18.6.53]

XX

Development (J) Department.

A.S.

The file relates to the issue of notice to the G.S.M.Co. for acquiring their equipment etc. on behalf of the Rajah of Sandur.

pp 75-76 Cf

2. In Memo No. 30957.J/53-16 dated 1-6-53 the Govt. accepted the recommendation of the Collr. of Bellary to grant time to the G.S.M. Co. till 15-6-53 to furnish the particulars re: the cost of their equipment etc. The Collr. was also asked ~~required~~ to issue the final notice to the Co. before 25-6-53 positively.

pp 84-87 Cf

3. In his letters dated 15-6-53, the Rajah of Sandur has raised the following points:-

(1) that the notice to be issued to the Co. may be a joint one signed by himself and the Govt. or in the alternative, he may be permitted to issue a notice to the Co. simultaneously confirming the notice issued by the Govt.

pp 77-79 Cf

R pp 79 Cf

PT

24

(ii) that the notice may be issued by the Govt. themselves instead of by the Collr. of Bellary; and

(iii) that as the Co. is delaying to furnish the particulars re: the cost of the equipment, the value of the assets may be worked out, based on their Balance sheet for the year ending 31-12-48 and that he is prepared to deposit Rs.2 lakhs in the treasury towards the cost of the equipment to be acquired.- The above points have been examined in consultation with Legal and Finance Depts.

Point(1) above:- Legal Dept. have advised that there is absolutely no need either to permit the Rajah to join in the notice or permit him to send a separate notice confirming the Govt.'s decision in this regard. They have observed that even if permitted, it will not be valid. In the circumstances, it is for consideration whether the Rajah may be informed that there is no need to adopt either of the courses suggested by him. For Orders.

A

Point (ii) above:-

Legal Dept. have expressed the opinion that the Govt. can validly act through the Collr. and that there is no necessity for Govt. themselves to issue the notice in question. The Rajah may be informed accordingly. For Orders.

B

Point (iii) above:

In the circumstances stated by the Rajah, this Dept. originally proposed to agree to his suggestion to issue the notice to the Co. after he deposits Rs.2 lakhs

towards the cost of the equipment. Finance also have ~~have~~ agreed to the proposal and have suggested that the case may be circulated to M(Fin) also. But, the Collr. of Bellary has since reported that the G.S.M.Co. has furnished a list of the equipment which they agree to sell to the Govt. under the terms of the lease deed. This includes the seven items detailed at pp.107-110 c.f. and also item (1) on p. 99. c.f. The total value of these equipments comes to about Rs.5,09,953/-. Now that the Co. has furnished the particulars, there seems to be no need to accept the suggestion of the Rajah ~~From them~~ further, in their letter D/17-6-53 addressed to the Collr., the Co. has stated that they cannot agree to take the figures in the Audit Report as the basis for working the cost of the equipment. It would therefore seem desirable that the Rajah is required to deposit into the treasury the full value of the equipment proposed to be acquired on his behalf before the notice is issued to the Co. The Collr. of Bellary has also requested instructions whether the notice can be issued to the Co. even if a portion of the cost is remitted by the Rajah.

It is for consideration whether the Collr. may be informed that the Rajah should be asked to remit the full value of the equipment as per particulars furnished by the G.S.M.Co., before a notice is issued to the latter. For Orders.

The Collr. of Bellary has also requested instructions whether as suggested by the Rajah of Sandur, a duplicate notice should also be forwarded simultaneously to the Registered Office of the Co. at London. It seems that the issue of a duplicate notice to the Registered Office at London is not necessary. For orders whether the Collr. may be informed accordingly. Legal may perhaps see on this point.

(p.t.o.)

26

30957/53

~~this point.~~

After orders are passed at A & B on p 24 and at C and D on p 25 above, the file may be sent to Legal Deptt.

A
23/6/53

S

23/6/53
Compl. O.D

In respect of C, there may be difficulty for the Regd to furnish at once the balance. Can we not take some document now, in case the cannot furnish the same by the 26th. It need not be taken at this stage, and unless he himself asks for it Legal may advise about

A

23/6 Legal (Opinions-A)

Legal (Opinions-A)Department. Ref. H.O.30957/53/19

A copy of the lease deed entered into by the late Sandur Administration with the General Sandur Mining Co. Limited is not in the file. Unless it is specifically provided in the lease deed that all communications pertaining to the lease deed should be addressed to the registered office of the company at London, it will not be necessary to send the notice or a copy thereof to the London office (See also in this connection section 277(1)(d) of the Indian Companies Act, 1913). If throughout this long period of lease, communications have been sent

23/6/53
4.20 P.M

Legal C.N1

10257
H. 23.6.53
receipt

only to the office of the General Sandur Mining Co. Limited at Deogiri, Sandur Taluk, Bellary district, and this branch office has dealt with all the correspondence, the same course may be followed now. But it is however seen from page 113 c.f., that the Collector has sent the letter calling upon the Company to furnish particulars regarding the value of the buildings, works, etc., both to the Company's office at Deogiri and London. The reason for adopting this course is not clear. As the notice has got to be served on the Company on or before 30-6-1953, it may be issued immediately to the office of the Company at Deogiri, Sandur taluk. A copy of the notice may be sent to the London office for information. There is no legal objection to adopting the proposal of the Development Secretary at A on p.26 ante. The issue of notice to the Company need not be delayed on this account.

24-6-53

D-5 (Dev)

Dev

Development (J) Dept

A.S.

Notes from XX on p. 23 above may be perused.

Legal dept have stated that there is no legal objection to adopting the proposal of this dept. at A on p. 26 above

Finance may also see for remarks on this point, before final

P.T.O

28

30957J53

instructions are issued by the Collector.

Tnar dept. may be requested to treat the matter as "special" and return the file to this Dept immediately with their remarks as a notice has to be issued to the Co. by the Collr. before 30.6.53. of

JN
24.6.53
24/6/53

[A draft Memo to the Collr is submitted for approval].

As there is hardly any time the case may perhaps be circulated to M(IL) and M(Fin) after issue of the Memo to the Collector. Finance Dept. may however see before issue

A
24/6/53

S 24/6

Fin (Cost acct)

Fin (Accts)

Dev. 4.0 30957J/53 20
24/6/53
4.35 P.M

(Lastly seen in Fin. on p. 23 above)

Notes from page 23 above may be perused. Fin. may agree to the proposals of Dev. The draft Memo. to the Collr. may be accepted.

JN
24.6.53

BS. AR
24/6/53

Dept

Dev (I) Dept

Fin no 51892 Acy
24/6/53

ADDITIONAL DEPUTY SECRETARY TO GOVT.
5/1892
24 JUN 1953
FINANCE DEPARTMENT

Fin.

Notes of Finance Dept above may be perused.

The draft Memo below may issue

A
24/6/53

JN
24.6.53
24.6.53

Issued as Memo No. 30957J52 21 dated 24.6.53

Development(J)Department.

SUMMARISING NOTE.

K.S.

In G.O.No.868.Dev.D/26-2-53, the Govt. sanctioned a mining lease to the Rajah of Sandur for manganese and iron ores over an extent of about 29 sq.miles in Sandur Taluk, Bellary Dist. This area is now held by the General Sandur Mining Co. Ltd., Sandur (on lease which expires on 31.12.1953) ~~on~~ The lease granted to the Rajah of Sandur is to take effect from 1-1-1954.

2 According to Cl.17 of Part VII of the mining lease deeds executed betweem the G.S.M.Co. and the Estwhile Sandur State, the lessee should at the end of the term of lease, deliver upto the lessor in good order, all the mines together with the engines etc. erected by them, and according to Cl.4 of Part IX, if the lessor gives a notice in writing to the lessee, six calendar months at least before the expiry of the term of lease signifying his desire to purchase the equipment, the lessee is bound to sell all their equipment, (also such as buildings and works set up above ground level) as at the date of construction after deducting depreciation at ~~5%~~ 2% p.a. The Govt. have undertaken (to exercise this right and to issue) the notice to the Company before 30-6-53 for ~~acq~~ acquiring its equipments, for subsequent transfer to the Rajah of Sandur. A copy of the agreement entered into with the Rajah in this regard will be found at pp.59-61 c.f. It will be seen that the Rajah has ~~identified~~ indemnified the Govt. against any legal or financial implications arising out of the transaction.

3 The Collr. who was asked to issue a notice to the Co., recommended that the Co. might be granted time till 15-6-53 for furnishing the particulars re: the cost of the equipment. His recommendation was

(p.t.o.)

accepted and he was informed that the notice should be issued to the Co. before 25-6-53 after the Rajah remits the full value of the equipment into the treasury.

4 The Company has since furnished the particulars re: the cost of the equipment which ~~they~~ it proposes to sell to the Govt, under the ~~agreement~~ lease deed and the total value of these comes to Rs. 5,09,953-3-8.

5 In view of the huge amount which the Rajah has to remit at a short notice, the Collr. requested instructions whether a notice can be issued to the Company even if a portion of the value of the equipment is remitted by the Rajah and the balance recovered afterwards. He has been informed in the Memo at pp.115-116.c.f. that the Rjah should be asked to remit the full value of the equipment as per particulars furnished by the G.S.M.Co., before a notice is issued to the latter. He has also been told that if the Rajah feels difficulty in finding out the entire value, there is no objection to taking a document from him in respect of the balance and to issue notice to the Co. He has further been instructed that the Rajah need not be informed of this, unless he himself asks for such an arrangement.

6 The points raised by the Rajah of Sandur in his letter at pp.77-81 c.f. have been examined in consultation with the Legal Dept. Based on the orders already passed on these points, a draft letter is submitted below for approval.

~~After issue,~~ the file may be circulated to M(I & L) and M(Fin). ~~for information.~~

14/26/6.

pp 75-76 cf

— ibid —

pp 107-110 cf

Vide X in hllcor

P in p.98 cf

pp 115-116 cf

— ibid —

ibid

pp 19-22 ante

A and B in p.21 above

25/6

25.6.53 per 25.6.53

M (I & L) 26/6/53

M (Fin) 27.6.53

insrtd - p.1

p.135 Cf [From the Colls. of Bellary Telgm dated 29.6.53]

A.S.

Submitted for perusal of the telegram from the Colls. of Bellary at p 135 Cf.

/A on p 135 Cf

The Colls. has reported that the G.S.M. Co acknowledged receipt of the notice on the 25th inst. and that he sent a report on the 26th inst. The report referred to by the Colls. has not yet been received. The Colls. may be asked to send a copy of it

— ibid —

A

A draft Memo. is submitted below for approval.

J 30.6.53

30/6/53

30/6/53

S (Ai)

x Not issued.

A.S.

A above :—

The report referred to by the Colls. has since been received and is at p. 137 Cf

x Para 4 of the Home Affairs

May be submitted to Secy. for perusal.

J 30/6/53

1/7/53

30/6/53

S

A.S.

G.O.Ms.No. 3116 Dy 4-7-53

Mines - M.L. (Bellary) Sandur Tk. Lease granted to the Rajah of Sandur - Purchase of equipment from the G.S.M. Co. - Notice issued. Papers recorded

No further action is called for, for the present. The papers may be recorded with a C.B entry against 7.1.54 to watch a report from the Colls re: the handing over of the mines, equipment etc. to the Rajah.

J 31/7/53

31/7/53

4/7/53

J 7.7.53

7.7.53

Recorded as G.O.Ms.No. 3116 Dy 4.7.53]

Original to Mysore Govt

Benches against S.No 1003

7.7.53

33

Dev. (J) Dept.

Sub:- MINES - Mining lease - Grant to the Rajah of Sandur.

In connection with the grant of mining lease to the Rajah of Sandur for manganese for 20 yrs., the Rajah has expressed a desire that the preliminary agreements (1) to enter into lease, and (2) to give notice by Govt. to the General Sandur Mining Co. for purchasing their machinery and equipments on behalf of the Rajah, may be executed at Madras. Secy. wanted it to be examined whether he can execute the agreements on behalf of the Governor.

(J) ~~According to~~ In G.O.No.648, Public(Reforms) dated 1-4-37 the Collrs. of the districts have been specifically authorised to execute leases and licences in respect of grant of mining concessions - vide item 10 in the appendix of the G.O. According to item 1 of the appendix, Secys. to Govt. can execute all deeds and instruments relating to any matters other than those specified in the appendix. As the deeds to be executed are only agreements (and not leases) it seems that there is no objection to the Secy. to Govt., Dev. Dept. executing the above agreements on behalf of the Governor.

(J) ~~Pub(Reforms)~~ Public and Legal may please confirm.

1-40 PM

27.4.53

27/4/53

27/4 Public

Legal

ASSISTANT SECRETARY TO GOVERNMENT
G.O. 1590
27 APR 1953
PUBLIC DEPARTMENT

Pub (Ser.c) Dept

Vide Development above may be perused. In view of 'M' above, there seems to be no objection to the Secy executing the above agreement. Legal may also be requested to advise on this point.

The file may be passed on to Legal

Pub(Ser.c) no 1590/53-1.

ASSISTANT SECRETARY
7030
27 APR 1953
1.40 PM
LEGAL

27.4.53

27.4.53

Legal

Legal(Opinions) Department.

A complete list of the officers authorized to execute deeds, contracts and other instruments on behalf of the Governor issued in G.O.No.648, Public(Reforms) dated 1-4-37, is not in the file. It is presumed that neither of the agreements referred to by Development in their note at ④ on page 1 ante falls within any of the other items in the list mentioned above and that they fall within the residuary item, namely, item 1 of that list: If so, there is no legal objection to the Development Secretary executing the deeds referred to at ④ on page 1 ante on behalf of the Governor.

X

A

Dr 23/4/53 K 27.4.

T.S.

J-S

Dev

Dept

Development (S) Dept

Legl no m: 7030/53-1

27.4.53

A.S.

Note of legal above may be perused.
The presumption at X above is correct.
It would seem therefore that there is no legal objection to the Secy. executing the agreements

This may be added to the pp in the top file

dis/kuk.

J 27.4.53

27.4.53

27.4.53

K 28/4/53

It is better left to the officer who can check details

28/4

A.S.

Secy. has since executed the agreements. No action is called for on this. May be added to the main file.

J 28.4.53

K 4/5/53.

C.No.93812.J/53

Development(J)Department.

C.No.93812.J/53.

Sub: Mines - Mining Lease - (Bellary) - Sandur Tk. Lease granted to the Rajah of Sandur - Purchase of equipment from the G. S.M.Co. on behalf of the Rajah - Notice issued - Points raised by the Rajah of Sandur:

Ref: From the Rajah of Sandur No.H.Z/MNG-9/53, dated 23-7-53:

From the Collr.of Bellary R.C.No.3088/53.A.12, dated 25-7-53:

A.S.

The letter from the Rajah of Sandur at p.1. c.f and that from the Collr. of Bellary at p.5 c.f. may be perused.

In his letter d/ 23-7-53 addressed to the Collr. of Bellary, the Huzur Secy. to the Rajah of Sandur has stated that the Legal Advisers of the Ruler of Sandur are of the opinion that the notice issued to the Co. by the Collr. on 24-6-53 may not be effective for the following reasons:-

1) that the notice does not mention that it is on behalf of the Madras State, and

2) that the Madras State as the successor lessor is desirous of purchasing the works equipment etc. in conformity with the wordin of clause 4 of the Part IX of the lease held by the General Sandur Mining Company.

with a view to avoid any technical objection later, he requests that a fresh notice may be issued to the General Sandur Mining Co., on the following lines:-

(i) that the notice should be issued to the G.S.M Co., instead of to the Manager or the Secy., of the Co.

(ii) that the notice should indicate that it is issued on behalf of the Madras State as the successor lessor;

(iii) instead of calling upon the Co., to sell as now stated, the notice should mention that the Madras State is desirous of purchasing

(p.t.o.)

the equipment etc. in exercise of the rights vested in them under Cl.4 of Part IX of the leases.

The Collr. of Bellary has not offered any remarks on these points. He has requested early instructions in the matter. The points raised by the Rajah are examined below.

Item (i) above:- A copy of the notice issued by the Collr. of Bellary to the General Sandur Mining Co., will be found at pp.123-125 c.f.(S). The Collr. has addressed the notice to the Manager of the Co. at Deogiri and also to the Secretary of the Co. at London. The apprehension that a notice may not be valid because it is addressed to the Manager and the Secy. and not to the Co. does not seem to be justified. As the notice is addressed to the Office bearers of the Co. by designation, it seems that the notice cannot be considered to be ineffective or invalid. Legal may advise.

Item (ii) on p.1. above:- Attention is invited to M on p. 123 c.f. (S) wherein the Collr. had stated that by the merger of the State of Sandur with the Madras State, in 1949, the respective right, title and interest of the lessors of the leases in question have become vested in the State of Madras. At N on p. 125 c.f.(S), the Collr. had stated that he was issuing the notice under instructions from the Govt. of Madras State. In view of these, it does not appear that the amendment suggested by the Rajah is necessary. Legal Dept. may advise.

Item (iii) on p.1. above:- Attention is invited to X on p.125 c.f. (S) wherein the Collr. has stated that pursuant to Cl.4 of Part IX of the lease, the Co, was informed in his letter d/ 25-5-53 that the

A on p 5 cf

* Vide A on p 123 cf (S)

(A) Item (1) at M on p 3 cf

As Manager and Secretary are legally appointed executive officers of the Co. notice addressed to them would appear adequate. A

G 28/7/53

M on p 123 cf (S)

N on p 125 cf (S)

G 28/7/53 B Item (2) at M on p 3 cf

X on p 125 cf (S)

— Ibid —

Govt. of Madras were desirous of purchasing some articles of equipment buildings, works etc. He has again referred to this intention at 'Z' in para 6 of the notice. In the concluding paragraph of the notice, the Collr. has stated "in exercise of the right vested in the State of Madras under Cl.4 of Part IX of the lease deeds and under instructions from Govt. .....direct you..... to sell" to the Govt.of Madras State the items of equipment mentioned at A on p. 125 c.f. (S). It seems therefore, ~~seems~~ that this amendment suggested by the Rajah is also unnecessary.

Legal Dept. may advise whether, in the light of the ~~allegations~~ suggestions of the Rajah referred to above, (which seem to be based on the opinion of the legal advisers of the Rajah), a revised notice need be issued to the Co.

Legal may be requested to advise.

28/7/53

28/7/53

28/7/53

D/S 28.7.53

Legal (Opinion

W.O. No. 938/2/53-1

28/7/53

4 P.M. Received at 4.15 PM

ASSISTANT SECRETARY 1233 29 JUL 1953 4.20 PM LEGAL DEPARTMENT

S

Legal (Opinions) Department.

This Department agrees with the views expressed by Development. Strictly speaking, it does not seem to be necessary to issue a fresh notice in this case. Nor does there seem to be sufficient time for issuing a fresh notice. Even assuming that by the telegram at page 8 c.f. the lessee company agreed to be bound by 5 months' notice instead of the 6 months' notice stipulated in clause 4 of the lease deed, there is scarcely sufficient time before us to give a fresh notice of

5 months.

The notice already issued by us has not been demurred to by the company. On the contrary, the company seems to have accepted it. The circumstance that the notice was sent to the Manager of the company in Sandur and to the Secretary of the company in London cannot render the notice insufficient or invalid. The Manager as well as the Secretary validly represents the company. A perusal of the notice shows that the notice was issued to the company and not to an office-bearer of it in his individual capacity. It also seems to be clear from the notice that it was issued by the Collector as the authorized representative of the Government of Madras who is the successor of the lessor. It is expressly stated in the notice that the Government of Madras desire to purchase the assets etc. of the company. Thus the notice complies with the provisions of the lease deed. In view of these facts, the notice may be taken to be valid and sufficient. However, if we had sufficient time there would have been no objection to issuing a fresh notice as desired by the ex-Rajah of Sandur.

30/7/53

Legal U.O.No. 12332/53-1
30-7-53

Govt Deptt.

53437
30/7/53

THIRD ASST. SECRETARY TO GOVERNMENT
30 JUL 1953
DEVELOPMENT DEPARTMENT

39/5

Development (J) Dept.

Summary.

A.S.

The file relates to the request of the Rajah of Sandur to issue a revised notice to the General Sandur Mining Co., for the purchase of certain items the Company's equipment on his behalf. ~~of the Rajah.~~

2. In his letter d/23-7-53 addressed to the Collr. of Bellary, the Huzur Secy. to the Rajah of Sandur has stated that the Legal Advisers of the Ruler of Sandur are of the opinion that the notice issued to the G.S.M.Co. by the Collr. of Bellary on 24-6-53. is defective in certain respects and may not therefore ~~may not~~ be effective. He has therefore suggested ~~requested~~ the ~~Collr.~~ that a fresh notice may be issued to the G.S.M.Co. to avoid any technical objection later. The Collr. has requested instructions in the matter.

3. The points raised by the Rajah of Sandur have been examined in consultation with the Legal Dept. Legal Dept. agree with the views of this Department that there is no ~~necessity~~ need to issue a fresh notice to the Co. and that the notice already issued by the Collr. on 24-6-53 may be taken to be valid and sufficient as it complies with the provisions of the lease deed. In the circumstances, the Collr. of Bellary may be informed that there is no ~~necessity~~ need to issue a fresh notice to the Co. as suggested by the Rajah of Sandur.

4. Subject to orders, a draft Memo is submitted below for approval.

31.7.53

31-7-53

31/7/53

31-7-53

18/53

DEPUTY SECRETARY TO GOVERNMENT
1-AUG 1953
DEVELOPMENT DEPARTMENT

p.3 cf

M emp 2 cf

A emp 5 cf

* Vide pp 1-4 above

D emp 3 above.

pp 2 3-1 25 cf (S)

* R emp 4 above

D p.3 cf

M (9 & 2)

p 149 cf Issued as M-emo No. 9381 2/53 3-th 1-8-53